

BEIJING REVIEW

北京周報

A CHINESE WEEKLY OF
NEWS AND VIEWS

Liao Chengzhi
Mourned



Duties of Ministry
Of State Security



Premier Zhao's
Government Work
Report



LETTERS

Precious Data

The series "Chinese-Type Modernization" and the column "Facts and Figures" are precious data for those who specialize in studies of the Chinese economy. In the coming days, I request that you publish more series dealing with agricultural problem (the production responsibility system) and the management responsibility system stipulated by contracts in commercial and other enterprises.

It would be easier for readers to understand these articles if the main technical terms that appeared were defined and put in a separate glossary.

Yasuo Yokoi
Kyoto, Japan

"Facts and Figures" Is Boring

The economic facts and figures published are very worthwhile but boring to laymen who are only generally interested in trade and production percentages and increases annually, etc. Modernization must be written about for the general reader abroad — dramatic and arresting to the attention.

John Paul Briggs
Hyannis, MA, USA

"Facts and Figures" is rather boring — a little more analytical writing would be in order here.

I liked the article about the changing balance of power between the USA and the USSR. It was extremely well written, clearly presented and offered a good analysis.

S.W. Little
Roanoke, VA, USA

Aid to Study of China

This year (1983) has seen great changes in the magazine. First, the "Notes From the Editors" column has been improved, although it relies upon information in other articles in the magazine. Secondly, in the introduction to the column "Chinese-Type Modernization" in issue No. 13 is the phrase, "The more hands we have, the easier we get things done" which is very true.

In the letters column of issue No. 9 this year reader Antonio Aresu said, "Your magazine presents very good reports of events in both China and the world." It really does present good reports of events. I do not hear some of these reports on the radio or read them in the newspapers published here in Zambia. The magazine has helped my study of China, especially of its commerce and geography.

Kasawa Kingford
Luapula, Zambia

Our Apology

In your issue of June 20 (Citizens of Foreign Descent Become National Committee Members of CPPCC) I am described as "a German, born in Poland."

That I was born in Poland is correct. That I was ever German is not, and the description will surprise people who know me, in China or outside. It has already brought me embarrassment, e.g., being asked to write articles in the German language which I do not know.

Israel Epstein
Beijing, China

We apologize for this mistake. — Ed.

"Friendship Dialogue"

I began subscribing to *Beijing Review* in 1987, and the same year, I joined the France-China Friendship Association. I did not often write to you simply because I am, in general, satisfied with your magazine. I would like to make some suggestions now, since you always ask for readers' opinions.

I suggest that you begin a column called "Friendship Dialogue" reporting on the friendship exchanges between the Chinese people and the people of other countries, either organizationally or individually. In the column, you can briefly cover the activities of the 101 friendship associations with China, in order to encourage and enlighten these organizations about each other with successful examples.

I hope you will continue to publish periodically classical, modern or humorous picture stories, using the specially drawn or original pictures.

I also suggest you present unpublished articles written by Chairman Mao and others from the older generation of revolutionaries.

The reports of the Chinese Communist Party's relations with the movements for communism or socialism and national-liberation organizations in other countries are also welcome.

The coverage of the concrete work of the Communist Party of China, for example, description of meetings of grass-roots Party organizations (of course, keeping necessary secrets), help people understand Chinese society.

I wish that the contents of some articles were more detailed. For example, when you carry a report on building a new railway, I want to know the type of locomotive (made in China or imported?), what kind of signal equipment is used, the train speed, etc.

I wish China success in building socialist modernization with her own characteristics. I also sincerely hope our friendship with China will be strengthened.

Jean-Paul Mets
Nancy, France

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Report on the Work of the Government (Delivered at the First Session of the Sixth National People's Congress on June 6, 1983) — Zhao Ziyang (see centrefold pages)

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HIGHLIGHTS OF THE WEEK

Memorial Meeting for Liao Chengzhi

The memorial meeting for Vice-Chairman Liao Chengzhi of the Fifth NPC Standing Committee was held in Beijing on June 24 (p. 5). Party and state leaders and 3,000 people from all walks of life attended the meeting. President Li Xiannian delivered a memorial speech in which he spoke highly of the indelible contributions Liao Chengzhi had made to the Party and state (p. 13).

Excerpts from articles and speeches by Liao's friends about their memories of him are published in this issue (p. 16).

Ministry of State Security

This newly established ministry will ensure the security of the state through effective measures against enemy agents, spies and counter-revolutionary activities attempting to undermine or subvert China's socialist system. Minister Ling Yun explained duties of the ministry in an interview with Xinhua (p. 6).

Premier Zhao Ziyang's Government Work Report

Full text of Premier Zhao Ziyang's Report on the Work of the Government delivered at the First Session of the Sixth National People's Congress which ended on June 21 (supplement).

A Three-Step Formation of Leaders

An important policy decision of China is to set up a three-echelon system of leading cadres at all levels and from now on to make particular efforts to build up the third echelon — the younger one (p. 4).

China's Position on Soviet Nuclear Freeze Proposal

If Moscow and Washington take the lead in stopping the testing, improvement and production of nuclear weapons and reduce their nuclear arsenals by 50 per cent, China will respond by undertaking obligations for nuclear disarmament with other nuclear states (p. 11).



A bright future for the Chinese nation.
Woodcut by Kang Ning

NOTES FROM THE EDITORS

Three echelons of leading cadres

To guarantee the success of its socialist modernization, China must put together a vast contingent of Party and state leaders who are revolutionaries in the prime of their lives, well-educated and professionally competent. This task was set forth a few years ago, with an emphasis on choosing younger officials for leading posts.

When Party and government institutions were streamlined at the central level last year and at the provincial level in the first half of this year, their leading bodies were readjusted as well. Nearly two million aged cadres in poor health were replaced by younger, professionally competent people. At the same time, 20 per cent of the government staff are receiving training programmes designed to raise their educational level to that of senior middle school or college.

But there is still a long way to go and efforts should be spent on bringing up the cadres' contingent to meet the above-mentioned four requirements.

An important policy decision is to set up a three-echelon system of leading cadres at all levels and from now on to make particular efforts to build up the third echelon.

China draws much of its strength from proletarian revolutionaries of the older generation, whose rich experiences in the long years of leading the Chinese people in revolution and construction have given them superb leadership abilities and earned them high prestige

among the populace. They form the top echelon of Party and state leaders. They will continue to function as the nation's top decision makers, the helmsmen. To name a few: Li Xiannian, the newly elected President; Peng Zhen, Chairman of the Standing Committee of the NPC; Deng Xiaoping, Chairman of the Central Military Commission of the PRC; Deng Yingchao, Chairperson of the Sixth National Committee of the CPPCC; and Chen Yun, Member of the Standing Committee of the Political Bureau of the CPC Central Committee.

However, due to their advanced ages, they should not be expected to carry on the heavy day-to-day activities of the Party and the government.

Therefore, the heavy routine work is now shouldered by the second echelon of officials who are younger. Well-experienced and active, they constitute the backbone of the Party and government leaders. Members of the Secretariat of the Party Central Committee headed by General Secretary Hu Yaobang and the leaders of the State Council headed by Premier Zhao Ziyang are of that category.

Nevertheless, the second echelon is only a bit younger than the top one. Thus, establishing the third-echelon leadership has become an urgent task. At the central and provincial levels, its leading members should be no older than 55 years old while below the provincial level they should be younger, say, between 40 and

45. They should all be qualified to represent the fundamental interests of the people, willing to serve the people wholeheartedly and capable of leading the socialist modernization drive.

It is strategically significant to set about establishing the third echelon of leading officials right now, with the emphasis on promoting cadres around 50 to the posts of vice-premiers, alternate members of the Party Central Committee Secretariat and main provincial Party and government leaders. They will improve their leadership abilities in the years to come and may work through the end of this century. In their hands China will be built into one of the world's advanced nations.

The three-echelon system of leading officials combines the wisdom of the old and the young and facilitates the smooth transition of power. It is of vital importance to maintaining the continuity of policies and the political stability of the nation as a whole.

It is expected that the ranks of the third echelon will grow constantly, and with the advance of history, they will assume an increasing prominence in the modernization of the nation.

— Political Editor An Zhiguo





Party and state leaders as well as representatives from all walks of life at the memorial meeting for Liao Chengzhi.

Memorial meeting for Liao Chengzhi

A memorial meeting for Liao Chengzhi, Member of the Political Bureau of the Chinese Communist Party Central Committee and Vice-Chairman of the Standing Committee of the Fifth National People's Congress, was held in the Great Hall of the People on June 24.

Party and state leaders Hu Yaobang, Deng Xiaoping, Zhao Ziyang, Li Xiannian, Chen Yun, Peng Zhen, Deng Yingchao, Ulanhu and more than 3,000 people from all walks of life, including some overseas Chinese, compatriots from Xianggang (Hongkong), Aomen (Macao) Taiwan and some foreign friends, attended the meeting.

Under the large portrait of Liao Chengzhi was placed the casket containing his ashes. The casket was draped with the flag of the Communist Party of China and surrounded by potted flowers and evergreens.

The interior of the hall was lined with wreaths presented by Party and state leaders, various Party, government and army agencies, democratic par-

ties, people's organizations, noted personages of various circles and foreign friends.

There were also wreaths presented by Japanese Prime Minister Yasuhiro Nakasone, and Anna Chennault, a relative of Liao Chengzhi.

The meeting was presided over by Peng Zhen, Chairman of the Standing Committee of the National People's Congress. Li Xiannian, Member of the Standing Committee of the Political Bureau of the CPC Central Committee and President of the People's Republic of China, delivered a memorial speech (see p. 13 for full text), in which he spoke highly of the indelible contributions Liao Chengzhi made to the Party and state.

Li Xiannian said: "Loyal to the Party and the people, Comrade Liao Chengzhi was staunch and fearless in various struggles against the enemy and against wrong lines inside the Party, displaying the courage and qualities of a proletarian revolutionary."

"Comrade Liao Chengzhi devoted himself for a long time to consolidating and expanding the patriotic united front embracing Taiwan, Xianggang and Aomen compatriots and overseas Chinese, and made great contributions to the cause of the unity and reunification of the country," Li Xiannian said.

"While in charge of the Party's work on overseas Chinese affairs over a long period, he resolutely carried out the Party's policy on overseas Chinese affairs, cared for and safeguarded the legitimate rights and interests of the overseas Chinese as well as those of returned overseas Chinese and their families. He enjoyed high prestige among overseas Chinese and compatriots in Xianggang and Aomen and had their love and respect," Li Xiannian continued.

"Comrade Liao Chengzhi always carried out firmly the foreign policy of the Party Central Committee," he said. "For half a century, Liao Chengzhi

did a great deal of work in opposing aggressive forces, safeguarding world peace and developing the friendship between the peoples of China and other countries. He became a well-known international fighter for peace."

Li Xiannian said: "The death of Comrade Liao Chengzhi is a heavy loss to our Party and state and we are filled with deep sorrow. We should turn our grief into strength, draw on his revolutionary spirit and fine qualities, and work hard to accomplish the tasks he left behind."

Present at the memorial meeting were also Comrade Hoang Van Hoan and Furui

Yushimi, a special envoy from the Japanese Government.

On June 24, China's national flag was flown at half-mast at Xinhua Gate, Tian An Men Square and the Ministry of Foreign Affairs.

In the past few days, memorial activities were held in Beijing, Shanghai, Guangdong and Fujian. From June 19 to 23, returned overseas Chinese and their families, workers in overseas Chinese affairs as well as representatives from all walks of life (including representatives from Huiyang County in Guangdong Province, hometown of Liao Chengzhi) attended memorial events.

Ministry of State Security established

The newly established State Security Ministry will "ensure the security of the state and strengthen counter-espionage work," according to Minister Ling Yun, former Vice-Minister of Public Security.

The ministry, first proposed by Premier Zhao Ziyang, was approved by the First Session of the Sixth NPC last month.

It will ensure the security of the state through effective measures against enemy agents, spies and counter-revolutionary activities designed to sabotage or overthrow China's socialist system, Minister Ling said.

The struggle between espionage and counter-espionage is very intense in the world arena today, he said. Particularly since China adopted the open policy, foreign espionage and secret service agencies have stepped up infiltration and subversive activities, informa-

tion gathering and attempts to steal state secrets. The Ministry of State Security will exercise its functions in strict conformity with the Constitution and the law, and will rely on the support and co-operation of the broad masses to expose and arrest any activities that endanger state security.

Articles 53 and 54 of the Constitution stipulate that Chinese citizens must abide by the Constitution and the law, keep state secrets and safeguard the security, honour and interests of the motherland.

Minister Ling added: Both the Ministry of State Security and Ministry of Public Security are agencies under the State Council. The two work in close co-ordination and have different tasks. He said that normal activities and lawful rights of foreigners in China have always been, and will still be, legally protected.

Priority given to education

At the NPC and CPPCC sessions in June, many deputies and CPPCC members called upon people to understand the importance of education in national construction from a strategic point of view. Their appeal has called forth quick response.

Qian Jiaju, noted Chinese economist and CPPCC member, early this year addressed the issue of universal education in China.

He said that since the founding of New China, educational undertakings have not been considered a matter of strategic importance because we failed to clearly understand the importance of education. The new Constitution, which underscores the need for the state to run various kinds of schools, says that every citizen has the right and duty to develop and receive education. This is a pioneering tenet of the Constitution.

Compulsory education, he said, has two aspects: 1. It is required; 2. It is free. To see things from this light, compulsory education has not been placed on the agenda. Primary school teachers' social status and pay are low. The absolute figures for educational funds are small and are a small percentage of the national income and the state budget. For example, in 1982, educational funds accounted for only 10 per cent of all state expenditures.

Qian Jiaju advised that we must not regard education purely as a consumer undertaking. Instead, we must emphasize that investment in edu-

cation also means investment in production, because the cycle of investment in education is longer than that of investment in production and construction.

Thus, if we do not take precautions beforehand, the speed of our construction will definitely be slowed down because we lack qualified people. In the past we have made economic construction first priority and education, science and culture second.

Experience shows that education should precede economic construction. Education itself is a component of the productive forces and the most efficient investment for increasing production and improving quality.

Qian Jiaju sent two theses to Chen Yun and Hu Yaobang, leaders of the Party Central Committee, that explained his views. He proposed that the state increase educational funding, enforce compulsory education and give funding for education an appropriate place.

Chen Yun said that the questions raised by Qian are very important and represent a far-sighted view.

Hu Yaobang promptly replied, "Your forthright attitude towards state affairs deserves commendation. I have forwarded your theses to Comrades Yao Yilin (Vice-Premier — Tr.), Song Ping and Wang Bingqian (State Councillors — Tr.). I think they will give serious consideration to your opinions. Of course, before China can rank among the world's advanced countries in terms of allocations for educational funds, it must work hard for a number of years, but I think the prospects are promising."

July 4, 1983

Today, the state plan includes allocations for the development of education. In his recent report on government work, Premier Zhao Ziyang said that the State Council has decided upon annual increases in cultural construction funding. In addition to state financial allocations, the development of education requires support from local governments, mines, factories, enterprises, rural people's communes and production brigades and the public as a whole.

Legal system publicity week

In late May, more than 1,200 Beijing legal workers at 30 counselling service centres answered questions from the public. This was the second "Legal System Publicity Week" following one in January.

The legal workers answered questions free of charge. In just two days, they received 500,000 citizens and answered more than 7,000 questions.

Most questions were about

property, marriage, inheritance, support of parents and minor disputes. For questions that they could not answer immediately, they gave people appointments for later consultations. They would not give detailed answers to questions pertaining to cases already in court but not yet concluded, but they referred these questions to the appropriate judicial departments.

Many Beijing citizens took advantage of the free legal services. A 30-year-old woman worker complained to one lawyer that her husband's children by a former marriage often mistreated her. They often told her that they didn't need to listen to her and that they would abandon her when she became too old to work. The lawyer assured her that her marriage was legal and the children were in the wrong; and that under the Marriage Law, as their stepmother she had a duty to raise them until they come of age at 18; and that the children she had raised were required by law to support her in her old age. Hearing the an-

Lawyer Jiang Ping, vice-president of the Beijing Institute of Political Science and Law, gives free counselling service at a street-side centre.



swer the woman went away satisfied.

The "Legal System Publicity Week" was a project of the Ministry of Justice which called on all urban legal workers to participate, mainly focusing on explaining the new Constitution. Another purpose of the week was to inform the public about mediate and notarial systems and the functions of lawyers as defined by the new Constitution.

During the "Legal System Publicity Week," legal offices sent out more than 1.14 million copies of explanatory materials; displayed 140 sets of legal education exhibits including 2,804 pictures and gave 87 reports on the legal system.

Among the more popular reports were a presentation on the Marriage Law and the Law of Inheritance by the Law Society of Beijing and a discussion among legal experts on the requirement for government officials to abide by the law and Constitution.

Similar activities also took place in Shanghai, China's biggest city, and other cities have reported that they are preparing for the legal information campaign. It is estimated that this campaign will spread across the country by June or July.

China protests US move

On June 16, China lodged a strong protest with the US Government against its authorization of the Pan American World Airways' Taiwan service.

The protest was made in a note delivered by Assistant Foreign Minister Zhu Qizhen to

Charles Freeman, Jr., Charge d'Affaires ad interim of the US Embassy in Beijing.

The note said that the US Government, in disregard of the solemn position stated in the note of the Chinese Foreign Ministry dated May 20, 1983, has stuck to its unreasonable decision on granting operating authority for the Pan American World Airways' Taiwan service and failed to accept the Chinese proposal for consultation on this matter between the competent authorities of the two sides.

The act of the US Government, which resulted in the Pan American World Airways' service to Taipei on June 14, ignores China's sovereignty, hurts the national feeling of the Chinese people and harms the aviation relations between the two countries, the note said.

As is well known, the establishment of international aviation relations, particularly the opening of regular air services, is subject to authorization by the governments concerned and is by no means an ordinary commercial action. The US Government's authorization of Pan American World Airways' Taiwan service and of additional points of call in the United States for "China Airlines" (Taiwan) also proves that such activities of Pan Am and "China Airlines" (Taiwan) are no ordinary commercial activities, the note declared.

Taiwan is an inalienable part of the territory of the People's Republic of China. Any foreign country's development of aviation relations with Taiwan is a major issue involving China's sovereignty, the note said.

The Chinese Government has since the establishment of diplomatic relations between the two countries made consistent

efforts for the development and maintenance of the aviation relations between China and the United States, the note said.

"But at no time will China sacrifice the principle of sovereignty," the note stressed. "Sino-US aviation relations can make smooth progress only if the US Government strictly abides by the fundamental principles of mutual respect for sovereignty and territorial integrity and non-interference in each other's internal affairs, which govern all aspects of bilateral relations, including aviation. Failure to do so will inevitably cause damage to these relations. The US side will then be held fully responsible."

On the same day Li Shufan, chief of the International Department of the Civil Aviation Administration of China, delivered on behalf of the CAAC a letter to David G. Brown, counsellor for economic affairs of the US Embassy. The letter stated that China demands that the US Government designate another airline, which has no Taiwan service, to fly the Sino-US air route in place of Pan Am.

The letter said it was after Pan American World Airways had stopped its service to Taiwan that it applied for and was granted the right to use the air route from the entry exit point on the Sino-Burmese border to Xianggang (Hong-kong) via Kunming and Guangzhou and to use Guangzhou's Baiyun Airport as an alternate airport for its scheduled flights to Xianggang. In view of the changed circumstances, the letter said, CAAC has decided to terminate the above-mentioned right to Pan Am as from June 16, 1983.

*Korea's Reunification***Aspiration of all her people**

TEN years ago, on June 23, 1973, President Kim Il Sung of the Democratic People's Republic of Korea put forward a five-point programme for the independent and peaceful reunification of the country: to remove the state of military confrontation and ease tension between the north and the south; to realize collaboration and interchange in all fields; to convene a great national assembly composed of representatives of people of all strata both in the north and the south to resolve through consultation the question of reunification; to institute north-south confederation under the single name of the state—the "Confederal Republic of Koryo"; and to jointly enter the United Nations as the "Confederal Republic of Koryo." This proposal has been warmly supported by the Korean people and widely acclaimed by peace-loving people throughout the world.

A Decade of Efforts

In the past decade the Democratic People's Republic of Korea has worked tirelessly for the implementation of this programme.

In 1977, the political parties and public organizations of north Korea presented a four-point national salvation proposal calling for a north-south political consultative conference to bring about the early reunification of the country.

In 1979, the Democratic Front for the Reunification of the Fatherland of Korea proposed

the immediate convocation of a whole-nation congress to discuss the establishment of the "Confederal Republic of Koryo."

In 1980, President Kim Il Sung in his report to the Sixth Congress of the Workers' Party of Korea proposed reuniting the north and the south through the establishment of a "Democratic Confederal Republic of Koryo" (DCRK) and also put forward a 10-point policy for the proposed unified national government of the DCRK.

This year, 21 political parties and public organizations in north Korea issued a joint statement proposing a joint conference of all political parties in both north and south Korea for settling outstanding issues in the way of reunification.

These efforts fully show that the DPRK Government is sincerely seeking the independent and peaceful reunification of the country and is consistently putting the interests of the entire nation above everything else.

US Intransigence

Contrary to the efforts of the people in north Korea and all the Korean people, the south Korean authorities have placed serious obstacles in the way of peaceful reunification. They pay lip service to peaceful reunification and profess willingness to hold "talks" with the north at any venue, but they actually want to perpetuate the division of Korea.

This south Korean stand is defended by the United States, in spite of the fact that in 1975 the United Nations General Assembly adopted the resolution calling for the establishment of a durable peace in Korea by creating the conditions necessary for the independent and peaceful reunification of Korea. US intervention in Korea has continued and has aggravated tension on the Korean Peninsula. To realize the independent and peaceful reunification of Korea, the United States must withdraw troops in south Korea and cease all its interference in the Korean Peninsula.

Ending the north-south division of the Korean Peninsula and realizing the independent and peaceful reunification of their country is the common national aspiration of all Korean people and is in the interests of peace in Asia and the world. The independent and peaceful reunification of Korea, therefore, is an inevitable and irresistible historical trend.

— Duan Ping

Kampuchean problem**Not a China-Viet Nam issue**

IT was not without ulterior motives that Vietnamese Foreign Minister Nguyen Co Thach in early June came out with a misleading statement that Kampuchea is essentially a problem between China and Viet Nam.

It is a well-known fact that the Kampuchean problem is entirely a result of Vietnamese

invasion, and an event of worldwide concern.

An established policy of the Vietnamese authorities, regardless of their relations with China, is to control Laos, subjugate Kampuchea and then carry out aggression and expansion in the rest of Southeast Asia in an attempt to rig up a so-called "Indochinese federation."

In order to build up its regional hegemony, Hanoi has invited Soviet military forces into Southeast Asia. Cam Ranh Bay in Viet Nam and Kompong Som in Kampuchea have been turned into Soviet military bases providing logistic support to Soviet naval vessels prowling the Indian Ocean, the South China Sea and Gulf of Thailand.

Backed by the Soviet Union, Hanoi's aggression against Kampuchea constitutes a direct threat to the peace and security of Southeast Asia and the southern frontier of China.

Facts show that Kampuchea is certainly not a regional problem, still less a problem only involving China and Viet Nam. It is an issue affecting the security of Southeast Asia and peace in Asia and the world. As Thai Prime Minister Prem Tinsulanonda clearly pointed out, the Vietnamese occupation of Kampuchea has become an international issue and an obstacle to the ASEAN effort to turn Southeast Asia into a region of peace.

In the past few years, the UN General Assembly adopted resolutions condemning the Vietnamese aggression and calling for the withdrawal of all the Vietnamese occupation troops from Kampuchea. This shows that the international community share a common view on the Kampuchean problem.

By alleging that Kampuchea is essentially a problem between China and Viet Nam, the Vietnamese authorities represent China's support to the Kampuchean people's resistance against foreign aggression as an effort to establish its own "sphere of influence" and practise hegemony in Kampuchea. This is indeed the height of sophistry.

It is Viet Nam itself which has dispatched 200,000 troops to Kampuchea, sent large numbers of Vietnamese residents to that country and made repeated incursions into Thai territory. China, on the other hand, does not seek self-interests, has not stationed a single soldier in Kampuchea, and has declared that the Kampuchean people should be allowed to decide the destiny of their own country once Viet Nam pulls out its troops.

In the past four years, Hanoi has suffered one defeat after another on the Kampuchean battlefield and has become in-

creasingly isolated in the world. A statement like Thach's is intended to start a diplomatic offensive to obtain the following goals:

Firstly, to cover up Hanoi's occupation of Kampuchea and its threat to the security of the ASEAN countries and to divert international attention from the Kampuchean problem;

Secondly, to throw overboard the key to the Kampuchean problem — an immediate and complete Vietnamese troop withdrawal — so as to shelve all UN resolutions on Kampuchea; and

Thirdly, to sow discord in the relations between China and the ASEAN countries, and to soften the latter's firm stand on Kampuchea.

Hanoi's ploy to distort the nature of the Kampuchean problem will be foiled.

— Wang Dadao

Afghanistan Issue

Indirect talks deadlocked

THE third round of indirect talks on the Afghanistan problem between Pakistan and the Soviet-backed Karmal regime, held in Geneva June 16-24, under United Nations auspices, ended with no concrete results because the Kabul regime refused to accept Pakistan's demand for a fixed timetable for Soviet troop withdrawal.

The previous two rounds of talks were held in June of last year and in April of this year, also in Geneva. In these talks the UN Secretary-General's private representative Diego Cordovez conveyed

messages between the two parties, because Pakistan does not recognize the Karmal regime.

Main Reasons for Stalemate

First, the Soviet Union will not easily withdraw its troops from Afghanistan because its occupation there is a major part of its global strategy.

Neither the actions nor the words of the new Soviet leaders suggest that Moscow's basic policy towards Afghanistan has changed. While glibly talking about troop withdrawal, the Soviet Union has accelerated construction of strategic facilities.

ties in Afghanistan. It has built or enlarged big air bases, missile sites, highways and underground oil bunkers

This year the Soviet troops in Afghanistan have intensified suppression of the Afghan resistance forces. This shows that Moscow has not abandoned its plan to settle the Afghanistan problem by military means

Secondly, the Karmal regime is extremely unstable. Three years of armed struggle have hardened and augmented the ranks of the Afghan resistance forces. Their equipment and tactics have improved. Unity and co-operation among the resistance forces have been strengthened. They basically control the countryside, have established bases and have increased guerrilla activities against the cities. Once the Soviet troops withdraw, the Karmal regime will fall quickly

Thirdly, in the indirect talks, Pakistan has reaffirmed four basic principles or resolving the Afghanistan question: Soviet troop withdrawal; respect for the Afghan people's right to self-determination; a guarantee of Afghanistan's independence and non-aligned status; and the Afghan refugees' right to return to their homes with honour

Afghan refugees have said that the Geneva talks must first address Soviet troop withdrawal and that they will not return to their country unless the Soviet troops withdraw

Fourthly, internationally, neither the United States, or other Western countries, nor Saudi Arabia, or other Gulf countries, have any intention of making

some compromises with the Soviet Union. The Western countries are using the Afghanistan issue to discredit the Soviet Union, so they will not easily compromise with Moscow

Because of religion and geography, Saudi Arabia and other Gulf countries have actively supported the Afghan resistance forces in their struggle against the Soviet occupationists and have assisted Pakistan politically and economically. While seeking a political solution, Pakistan must consider their stand.

Fifthly, Iran, another neighbouring country of Afghanistan, has refused to recognize the

Karmal regime and to hold indirect talks with it. Iran stands for participation in the negotiations by representatives of the Afghan resistance organizations, insists that the Soviet Union withdraw its troops and at the same time demands that the United States stop interference. Because a number of Afghan refugees are in Iran, the Iranian attitude affects the resolution of the Afghanistan problem.

The representative of UN Secretary-General Cordovez admits that the indirect talks between Pakistan and Afghanistan in Geneva will continue to be extremely difficult and prolonged

— Bu Xiqiao

Soviet Union

Nuclear freeze proposal rejected

A RESOLUTION adopted by the Supreme Soviet of the Soviet Union on June 16 called on the United States, Britain, France and China to join the Soviet Union in declaring a freeze on nuclear weapons.

The resolution said that such a freeze could enter into force first with Moscow and Washington from a certain date, subject to agreement that the other nuclear powers would act in a similar way

Soviet Aim

This new Soviet offer came after the Soviet Union and the United States had vigorously developed their nuclear arms for decades and, as they them-

selves have repeatedly announced, have more than enough nuclear weapons to wipe out mankind many times over

Hoping to monopolize nuclear weapons, the Soviet Union and the United States had tried foisting a so-called nuclear non-proliferation treaty on the world. After this attempt failed, the Soviet Union had put forward a proposal for nuclear arms freeze between the United States and the Soviet Union, but it was rejected by the United States

In its latest proposal, the Soviet Union is trying to drag Britain, France and China into the rank of "nuclear powers"

and make them join the Soviet Union and the United States in "freezing" nuclear arms.

The Soviet proposal's aim clearly is to permanently maintain the two superpowers' nuclear superiority over the large number of small and medium-sized countries so as to hold sway over the life and property of all other peoples, and to enable the two superpowers to continue to engage in nuclear blackmail and hegemonism.

Britain and France rejected the Soviet proposal on the second day after it was announced. A British Foreign Office statement denounced the proposal as "entirely self-serving." The French Ministry of External Relations announced that France will not consider favourably Moscow's proposal, because the proposal only "freezes the existing imbalance."

China's Position

Qi Huaiyuan, Director of the Information Department of the Chinese Foreign Ministry, expressed the position of the Chinese Government at his weekly news briefing on June 21.

He said that over the years, a large number of small and medium-sized countries as well as world opinion have correctly pointed out that the two superpowers which possess the biggest nuclear arsenals bear a special responsibility for preventing a nuclear war and carrying out nuclear disarmament.

He noted that China has always maintained that a fundamental principle of disarmament is for the two superpowers to take the lead in nuclear disarmament, not only in freezing nuclear arms, but also in drastically reducing them.

"It is unreasonable for the Soviet Union to evade in its proposal the obligation for the two superpowers to take the lead in reducing nuclear arms," Qi said.

Since 1964, China has unilaterally undertaken not to be the first to use nuclear weapons or to use nuclear weapons against nuclear-free countries.

"We reiterate," Qi said, "that if the two nuclear superpowers take the lead in stopping the testing, improvement and production of nuclear weapons and reduce by 50 per cent all types of their nuclear weapons and means of delivery, the Chinese Government will be willing to respond by undertaking, through negotiations, obligations for nuclear disarmament together with all the other nuclear states."

—Yan Zheng

Canada

Tory Party elects new leader

THE Progressive Conservative Party of Canada elected Brian Mulroney as its new leader to replace Joe Clark after nine hours of voting at its leadership convention on June 11.

Because he met opposition from one third of the party convention held in Winnipeg last January, Mr. Clark decided to hold a convention for the election of a new leader of the party. Some observers said that this was Mr. Clark's tactic of advancing through retreat, using the move to get more support.

Mulroney, 44, is a former labour union lawyer who grad-

uated from the Law Department of Laval University.

After losing to Clark in a bid for the leadership of the party in 1976, he became president of the Iron Ore Company of Canada under Argus Corporation Ltd. The company, previously in the red, began to make a profit. When he returned to politics from commerce to run again as the leader of the Progressive Conservative Party he was strongly backed by Argus Corporation Ltd. and other financial groups.

The election of a new leader of the Progressive Conservative Party is expected to have an important influence on Canada's political future. The country will hold general elections next year and the leader of the Progressive Conservative Party could possibly be elected the prime minister of the next government.

The competition between the Liberal Party and the Progressive Conservative Party will be more bitter than ever following the Tory party election. Although the victory depends on who can provide the more attractive resolution to the economic problems and unemployment for the voters, the appeal of the party leader will play a significant role in the elections.

The slow economic recovery has increased the prestige of the Liberal Party. Public opinion polls showed that support for the Liberals is up to 32 from 27 per cent of last March while support for the Conservatives is down to 50 from 52 per cent. If the economic situation continues to improve, the Liberal Party will get much more support. Otherwise the situation will be favourable to the Progressive Conservative Party.

—Xu Deqian, Ma Hailiang



Report on the Work of the Government

(Delivered at the First Session of the Sixth
National People's Congress on June 6, 1983)

Zhao Ziyang

Premier of the State Council

Report on the Work of the Government

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Zhao Ziyang

Premier of the State Council

Fellow Deputies,

On behalf of the State Council, I now submit a report on the work of the government for examination and approval by the present congress

Review of the Government's Work in the Past Five Years

Under the leadership of the Chinese Communist Party, our country has won big successes bringing about great changes in all fields of work during the period of the Fifth National People's Congress, thanks to concerted efforts by governments at all levels and the people of all our nationalities.

We have achieved and enhanced political stability and unity throughout the country and made more efforts to improve socialist democracy and legality. During the past five years, our political life has steadily returned to normal; the relations among all our nationalities, based on equality, solidarity, mutual assistance and fraternity, have been reinforced; the patriotic united front has been broadened; and society as a whole has enjoyed increasing stability with each passing year. The National People's Congress and its Standing Committee adopted a number of laws, and the State Council promulgated a series of statutes, and all this has helped strengthen democratic management in economic, political and other activities of the country and ensure public order and order in production and other work across the land. In particular, the promulgation of China's new Constitution marked a new stage in our effort to build up socialist democracy and legality. The organizational reforms made in the State Council and in the provincial, municipal and

autonomous region governments have met with initial success, as illustrated by the closer contact between government and people and greater efficiency in administrative work. Because they have ease of mind, the people of all our nationalities show a growing enthusiasm in socialist construction. To win honour for the socialist motherland and contribute one's share to its socialist modernization has become the watchword of our time. We have in recent years properly solved a series of problems left over from the past. We re-examined large numbers of cases involving unjust, false and wrong charges and reversed the verdicts that had been passed on them. People who had been wrongly labelled bourgeois Rightists received redress, as did small tradespeople, pedlars and handicraftsmen who were wrongly classified as capitalists. Landlords, rich peasants, counter-revolutionaries and bad elements who have become law-abiding working people through remoulding have had their designations removed, and large numbers of former Kuomintang party, government and army personnel and special agents were released from prison in conformity with our policy of leniency. Our struggle against serious crimes in the economic and other fields has helped ensure the socialist character and orientation of our efforts in various spheres of national construction. Although some destabilizing factors still exist in our society which we must make continued efforts to eliminate, people have every reason to believe that the present situation of stability and unity is irreversible and that our great motherland will enjoy a long period of order and stability. No force on earth can hold back or undermine this historical trend.

China's economy has freed itself from the instability caused by serious imbalance among its major branches and has gradually moved on to a path of sound growth. The implementa-

tion of the principle of readjusting, restructuring, consolidating and improving the national economy over the past few years has led to a radical change in the long-standing high rate of accumulation and serious backwardness of agriculture and light industry. As a result of readjustment, by 1982 the accumulation rate had fallen to 29 per cent, as against 36.5 per cent in 1978, while funds for consumption showed a fairly big increase. The proportion that agriculture accounted for in the total value of industrial and agricultural production rose from 27.8 per cent in 1978 to 33.6 per cent in 1982 and light industry from 31.1 per cent to 33.4 per cent. In conjunction with readjustment of the ratios between accumulation and consumption and between agriculture and light industry on the one hand and heavy industry on the other, the State Council took firm steps to eliminate the rather serious financial deficit and strike a basic balance between state revenue and expenditure and between credit receipts and payments. We have maintained both an overall stability and a fairly high rate of economic growth during this period of readjustment. The total output value of industry and agriculture shot up to 829.1 billion yuan in 1982, 32.6 per cent over 1978, averaging an annual increase of 7.3 per cent. This confirms the correctness of the principle of economic readjustment, which has produced significant results.

China's agriculture has extricated itself from protracted stagnation and achieved a sustained overall upsurge. The State Council has implemented a series of rural policies in the past few years to stimulate labour enthusiasm of the peasants. We have raised the purchase prices of farm and sideline products by a wide margin, increased the import of grain and reduced the quotas of grain purchase by the state in some areas. All this has helped revitalize the countryside. Compared with 1978, the peasants' income rose by as much as 26 billion yuan in 1982 from the increased purchase prices of farm and sideline products alone. Meanwhile, we have readjusted crop patterns and the agricultural structure and promoted diversification of the rural economy without allowing grain production to fall off. Of particular importance is

the fact that the peasants, under the leadership of the Party, have created varied forms of contracted responsibility system based on the household, with remuneration linked to output. This has enabled us to change the long-term practice of issuing arbitrary orders about production and of distributing the product in an equalitarian way. It combines small-scale management on the household basis with specialized and socialized production, preserving the advantages of the agricultural co-operative movement, and thus integrates the superiority of collective ownership with peasant initiative in household management of production, allowing both to develop fully. As a solution to a fundamental problem that has long plagued China's socialist agriculture, it represents a step forward which is of profound and far-reaching historic significance. Although much remains to be improved in our rural work, in the past few years we have, on the whole, reinforced the worker-peasant alliance under new historical conditions, fired the enthusiasm of the hundreds of millions of Chinese peasants and provided a powerful stimulus to production. Compared with 1978, China's output of grain went up by 16 per cent in 1982; cotton, by 66 per cent; oil-bearing crops, by 126 per cent; sugar crops, by 83 per cent; and cured tobacco, mulberry silkworm cocoons, pork, beef, mutton, etc., by more than 50 per cent each. Everybody knows that there was no lack of natural calamities in the past few years. Nevertheless, the total value of agricultural output rose by an annual average of 7.5 per cent, which is 2.3 times the average annual increase during the 26 years preceding 1978. By and large, the overwhelming majority of the population in the more than 240 poor counties with low farm yields now have adequate food and clothing. Some previously poor counties have improved by leaps and bounds and become new centres of commodity production. The steadily growing prosperity of the rural areas has opened the way for the improved economic and political situation.

China's consumer goods industry has ended its long-term backwardness, heavy industry has gradually corrected its service orientation and industry as a whole has been expanding

steadily in the course of readjustment. We have attached importance in recent years to the production of consumer goods so that light industry has been able to expand more quickly than heavy industry. From 1979 through 1982, the average annual increase in the output value of light industry was 11.8 per cent, as against 3.4 per cent for heavy industry. There has been considerable growth in the production of many commodities in short supply. As compared with 1978, the output of bicycles was up by 180 per cent in 1982; of sewing machines, by 160 per cent; of wrist-watches, by 140 per cent; of TV sets, 11.4 times; and of chemical fibres, cotton cloth, woollen fabrics, sugar, leather shoes, etc., all by wide margins. The metallurgical, chemical, building materials, machine-building and other heavy industries have readjusted their product mix and worked to broaden their range of services. They have supplied an increasing quantity and variety of better quality products for agriculture, the textile and other light industries, the market, enterprises that are undergoing technical transformation and the export trade. The downward trend of heavy industrial production has been reversed in the course of readjustment. As we have readjusted the ratio between light and heavy industries, tightened energy control and carried out technical transformation for saving energy, 40 million tons of standard coal were saved in 1981 and 1982. As the industrial structure has become sounder following readjustment and consolidation, industrial production as a whole has averaged an annual increase of 7.2 per cent in the last four years, despite an average annual increase of only 1.9 per cent in energy consumption for the same period. This is a signal victory for our economic readjustment.

Urban and rural markets are thriving as seldom seen before in the history of our People's Republic, and foreign economic and technical exchange has expanded greatly. Total volume of retail sales was 257 billion yuan in 1982 as against 155.9 billion yuan in 1978, an increase of 64.8 per cent. This means the increase averaged 25.3 billion yuan annually, which is over five times the corresponding

figure of 4.9 billion yuan for the 26 years prior to 1978. The chronic shortage in the supply of non-staple foodstuffs has been eased considerably, as volume of retail sales of meat, poultry and eggs in 1982 was 110 per cent more than in 1978 and the supply of edible oils has improved significantly. Nearly all manufactured goods for daily use are now in ample supply. Most commodities that used to be rationed are now available without restriction. Customers today have a wider choice of consumer goods. The total volume of China's import and export trade reached 77.2 billion yuan in 1982, as against 35.5 billion yuan in 1978, a 120 per cent increase in four years. There has been a welcome change in the export mix, with the proportion of manufactured goods going up from 46.5 per cent to 55 per cent of total export value. We have imported 440 items of technology and equipment since 1979 under unified state plans, and this has helped stimulate production. We decided to import 22 sets of equipment in 1978, and by the end of 1982 we basically repaid the high-interest foreign loans to cover the portion delivered. Good preliminary results have been obtained in the trial running of the four special economic zones of Shenzhen, Zhuhai and Shantou in Guangdong Province and Xiamen in Fujian Province. We have also promoted tourism in recent years, which serves to expand our friendly contacts with the rest of the world. The continuous growth of our economy and the rapid expansion of our foreign trade and other foreign economic relations have all been achieved in the context of a current worldwide economic depression and shrinking international markets, thus demonstrating the superiority of the socialist economic system and the correctness of our policy of opening to the outside world, which has been carried out on an ever wider scale.

Initial restructuring of our economy has brought significant results and fruitful experience. While introducing a major reform in the agricultural system in the past few years, we initiated reforms to diversify the economy of towns and cities, expand the decision-making power of industrial and commercial enterprises, improve circulation of goods between town and country and extend the role of key

cities. With the predominance of the state economy ensured, the number of workers and staff employed in collective units in towns and cities rose by 6,030,000 in the past four years. their industrial output value increased by 49 per cent and the number of self-employed workers in towns and cities jumped from 150,000 to 1,470,000. Various forms of responsibility system for operation have been adopted by most state industrial and commercial enterprises. A number of small state-owned shops, restaurants and other catering businesses and small enterprises have begun to introduce the system of collective operation or contractual operation by workers and staff as a collective or as individuals, all under state ownership. Flexible and varied forms of supply for the convenience of customers have been adopted for many industrial means of production that used to be under unified state distribution. Such forms as planned state purchase, purchase by order, selective purchasing and sales by enterprises on their own are beginning to be adopted for manufactured consumer goods that used to be under unified state purchase and marketing. Moreover, we have changed the system of circulating manufactured goods in the urban and rural areas through separate channels and this has improved the interflow of commodities between town and country. We are working to extend the role of key cities, break down the barriers between localities and departments and establish various forms of economic association and economic zones. We have also instituted necessary reforms in the control of capital construction and in the foreign trade system. These measures have been effective in arousing the initiative of localities, departments, enterprises and workers and staff, invigorating the urban and rural economy, bringing more convenience to the people in their daily life and improving economic results, and have furnished experience for further reform.

The persistent, erroneous tendency to belittle knowledge and discriminate against intellectuals has gradually been corrected, and education, science and culture have improved. The

number of institutions of higher education in China increased from 598 in 1978 to 715 in 1982, with the number of students rising from 856,000 to 1,154,000. More than 43,000 graduate students have been admitted in the past five years, 83 per cent more than the total number enrolled in the 17 years before the "cultural revolution." A total of 18 doctor's, nearly 15,000 master's and over 300,000 bachelor's degrees have been conferred by graduate schools and colleges through strict examinations. The conferring of doctorates is a big event in the history of modern Chinese education. In 1982, more than 640,000 students enrolled in various courses of adult higher education, including TV and correspondence university classes and evening colleges. The unitary system of secondary education has begun to be changed and total enrolment in secondary vocational schools has tripled in the past three years. There were 207 million people in schools of all types and levels by the end of 1982. People are becoming more and more convinced that the guiding principle for science and technology is that they must be related to economic development. Large numbers of scientific and technological personnel are tackling major projects in their own fields. In the five years under review they achieved important results in over 13,000 scientific and technological items in agriculture, industry, national defence, new and sophisticated technologies and basic research, of which 418 inventions won state awards and some were up to advanced world levels. Growing numbers of people recognize and stress the importance of science and technology for our modernization. Research in social sciences has also made headway. Art and culture show liveliness of thought and rich creativity and the quality of works has gradually improved. More than 2,400 works of literature and art won prizes in national award programmes or at national festivals in recent years. One hundred and ten thousand books and other publications were published in a total of over 23.9 billion copies in the five years under review. Medical and public health work have made progress. Between 1978 and 1982, the number of hospital beds rose from 1,856,000

to 2,054,000 and that of professional medical workers from 2,464,000 to 3,143,000. The deepening of the nationwide patriotic public health campaign has brought varying degrees of improvement in sanitary conditions in town and country. The promotion of mass sports activities has helped build up the people's physique. Chinese athletes have broken many world records and won a fair number of championship titles in international competitions. The Chinese people in their hundreds of millions have been fired with patriotism and dedication to national rejuvenation by these outstanding achievements

The living standards of the people in town and country have improved significantly on the basis of expanded production. Net income of Chinese peasants averaged 270 yuan in 1982, double that in 1978. In the past five years, tens of millions of peasant households have moved into the 2.2 billion square metres of new housing built in the rural areas. More than 38 million people in towns and cities were given jobs. This, plus wage increases and bonuses, has markedly improved the living standards of workers and staff members. The annual per-capita income of urban workers and staff that can be used as living expenses averaged 500 yuan in 1982, 38.3 per cent over 1978, after allowing for price rises. State investment in this period in housing for urban workers and staff members totalled 48 billion yuan and 350 million square metres of new housing were completed, equivalent to all housing built in the 19 years before 1977. Considerable advances have also been made in social security and welfare services. Bank savings in town and country amounted to 67.5 billion yuan at the end of 1982 3.2 times the 1978 figure. Our personal experience shows us the notable improvement in the living standards of the urban and rural population in recent years.

Our national defence and defence forces have been strengthened and the independence and security of our motherland safeguarded. With all-round implementation of the policy of modernizing and regularizing our revolutionary

army, the military capability and political consciousness of the People's Liberation Army have risen appreciably. Initial structural reform and administrative streamlining and reorganization in the organization and command of troops has meant a step forward towards combined arms units. Military training and ideological and political work in the armed forces, the work of military academies and schools, logistics and research in military sciences have all been strengthened, and the professional level of the officer corps and their competence to command have been raised. The army's fine traditions have been carried forward and the relations between army and government and between army and people have become ever closer. Owing to repeated wild armed provocations by the Vietnamese authorities along the borders of China's Guangxi Zhuang Autonomous Region and Yunnan Province, our Army was compelled in the spring of 1979 to carry out limited counterattack in self-defence, which was successful. The militia are now fewer in number and better in quality, thanks to reform and readjustment. Scientific research and production related to national defence have forged ahead. Fresh progress has been made in the development of new tactical and strategic weapons. The steady enhancement of our defence capability is an important guarantee that the people of all our nationalities will be able to dedicate themselves wholeheartedly to the modernization programme

We have adhered to an independent foreign policy and achieved new successes in foreign affairs. We have continued to expand relations with other countries on the basis of the five principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit and peaceful coexistence. In the past five years, we have established diplomatic relations with 15 more countries, bringing the total to 129. During this period, Chinese leaders paid visits to 90 countries and leaders from 81 countries came to visit China. Our unity and friendship with third world and non-aligned countries have

grown and become stronger. We have made unceasing efforts to combat hegemonism and safeguard world peace. We have upheld principle and justice and are playing an ever bigger role on major international issues in a complex international situation.

Fellow deputies,

During the past five years our country followed the path of sound growth after surmounting various political and economic difficulties, and these are years in which the people enjoyed ease of mind and the state grew more prosperous

Our successes in this period were not easily won. They were achieved as a result of the fundamental changes in our guidelines and principles. When the current government took office in early 1978, "Left" errors in our guidelines and practical work had not yet, for the most part, been straightened out and corrected. In addition to politically reaffirming the erroneous theory of the "cultural revolution," the report on government work, submitted by the State Council to the First Session of the Fifth National People's Congress in February 1978, set unrealistically high targets for economic development so that the scale of construction far exceeded our national capabilities and aggravated the imbalance between the major branches of our economy and other economic difficulties created by the decade of domestic turmoil. If this state of affairs had not been corrected promptly, the consequences would have been disastrous. The Third Plenary Session of the 11th Central Committee of the Chinese Communist Party held at the end of 1978 formulated a correct political, ideological and organizational line, decided to shift the focus of our work to socialist modernization and began to set things to rights in all spheres, thus bringing about a historic change. In keeping with the line of the Third Plenary Session and the decisions adopted by the Fifth National People's Congress and its Standing Committee, politically, we have made determined efforts in recent years to eliminate various persistent pernicious effects arising from the so-called

theory of continuing the revolution under the dictatorship of the proletariat, while at the same time upholding the four cardinal principles by eliminating interference of all sorts from the Right. Economically, we have overcome with firmness the persistent error of one-sidedly pursuing high targets and indiscriminately expanding the scale of construction, and adhered to the principle of proceeding from China's actual conditions and capability, working hard and advancing step by step. The policy of readjustment, restructuring, consolidation and improvement put forward in 1979 and, in particular, the decision made at the end of 1980 to further readjust the national economy were of decisive significance in setting to rights the guideline for economic work and constituted a fundamental turning point in the growth of China's economy along sound lines.

Past experience, if not forgotten, is a guide for the future. China is a developing socialist country with a huge population, and her material and technical foundation is still rather weak. This determines the protracted, arduous and complicated nature of our modernization programme. The basic points of departure for a correct economic development policy are the integration of the basic tenets of Marxism with the concrete realities of China and adherence to the principle of seeking truth from facts and doing things in accordance with China's concrete conditions. We can reach our goal of modernization only step by step and in stages. We should not overstep objective conditions and attempt the impossible, but, where objective conditions permit, we should strive for what can be achieved through efforts. The major setbacks we suffered in the past in economic development were all due to, among other things, a divorce from China's realities as manifested in the excessively high demands and impetuosity for quick results in our guideline. The primary condition for ensuring continued development of the current favourable situation and avoidance of repeating our past mistakes is to bear firmly in mind the historical lessons, remain clear-headed at all times and unswervingly adhere to the principles of seek-

ing truth from facts and of steady advance in national construction.

Because things have been set to rights, the confidence of the whole nation in the socialist system has been reinforced and the people are once again showing great enthusiasm in building the socialist motherland. This is the source of strength on which we can draw in striving for victory. Large numbers of model and advanced workers have come to the fore in the past five years, and over 38,500 were cited as labour heroes at the national and the provincial, municipal and autonomous region levels, over 42,900 as pace-setters in the new "Long March" and more than 71,800 as "March 8 Red Flag Bearers." The soul-stirring exploits and fine spirit of Comrades Zhao Chune, Luan Fu, Zhang Hua, Jiang Zhuqing, Luo Jianfu, Lei Yushun, An Ke, Zhu Boru, Li Junjia and Zhang Haidi have been an inspiration to hundreds of millions of people, old and young, throughout the country. On behalf of the State Council, I would like to extend a high salute to the workers, peasants, People's Liberation Army men, intellectuals and public figures of various circles who are working hard everywhere and to express sincere thanks to the people of all our nationalities for their support for the work of the government. Our government work still leaves much to be desired and we face many difficulties on the road ahead. As regards production, capital construction and circulation, economic results are still unsatisfactory and the waste of manpower and material and financial resources is appalling. Owing to inadequate control over the market and prices, open or disguised increases in the prices of certain commodities, particularly non-staple foodstuffs, have occurred in quite a few places. The building of a socialist spiritual civilization has not yet received adequate attention in some localities, departments and units. There are certain unwholesome things in the spheres of ideology, culture and art. The unhealthy tendencies and practices in society have not been forcefully and completely checked, and there is no lack of economic crimes and some other serious crimes. Some government functionaries have not yet

effectively corrected the reprehensible habit of bureaucratism and the unhealthy practice of seeking personal gain through abuse of government power. We must be soberly aware of these problems and solve them conscientiously in order to consolidate and expand the present favourable situation.

The Main Tasks for the Next Five Years

Based on our analysis of the work done in the past five years as well as on the current situation and problems, this State Council deems it necessary to make the following suggestions in regard to the work of the incoming administration for the congress to examine.

The main tasks of the government for the coming five years should be to mobilize the people of all our nationalities to fulfil or overfulfil the Sixth Five-Year Plan, draw up and carry out the Seventh Five-Year Plan, continue to push ahead with work in various fields centring on economic development, bring about a fundamental turn for the better in the financial and economic situation and in standards of social conduct as put forward by the 12th National Congress of the Chinese Communist Party, and thus win a signal victory in the struggle to create a new situation in all fields of socialist modernization.

I. On Economic Development

The Party's 12th National Congress decided that the strategic goal of quadrupling the gross annual output value of industry and agriculture by the end of the century should be realized in two steps. In the decade 1981-90, our main objective is to lay a solid foundation for the following decade, 1991-2000, when we shall strive for new vigorous economic growth. This is a correct decision based on objective reality. The next five years are of key importance in laying the foundation. During this period, we must do a good job of readjusting the

national economy, speed up reforms, concentrate on key construction projects and technical transformation, ensure the stable growth of the economy, accumulate strength and create conditions for subsequent advance.

In the next five years, we must first of all ensure that agriculture and light and heavy industries grow in a balanced way. Taking as our premise constant improvement of economic results, we must strive for a realistic rate of growth in production, which can be achieved through exertion. As things stand now, the growth rate set in the Sixth Five-Year Plan can be surpassed, and we can set a somewhat higher rate for the Seventh Five-Year Plan period. The rate of growth must of course be predicated on steady improvement of economic results, and under no circumstances should we stress quantity and output value one-sidedly. We must ensure constant improvement in quality and increased variety of all products that have a ready market so as to expand real social wealth. The objective of quadrupling gross annual industrial and agricultural output value in 20 years was set for the country as a whole. When it comes to specific localities, departments or enterprises, some will have to increase their output value more than four times and some less. All must proceed from their own concrete conditions, stress better economic results and make their plans subject to nationwide balance. We must not change but must firmly implement the basic rural policies adopted since the Third Plenary Session of the 11th Central Committee of the Party and must continue to stabilize and improve the various forms of the system of contracted household responsibility related to output and implement the principle of "sparing no effort in promoting grain production and actively developing diversified undertakings" so as to ensure development in agriculture, forestry, animal husbandry, sideline occupations and fishery in the coming five years. At the same time, investment in agriculture should be gradually increased and the production and technological conditions of agriculture vigorously improved. Water conservancy works should be better built, with stress on im-

proving drainage and irrigation facilities in areas producing commodity grain and cotton. The chemical fertilizer industry should be expanded rapidly and the proportion of compound and phosphate and potash fertilizers gradually increased. We should energetically expand the fodder industry, substantially increase the output of mixed feed and step up the improvement of grasslands so as to promote the growth of animal husbandry. We should strengthen research in agricultural science and technology and apply them more widely, stress breeding improved seed strains and popularize them and adopt comprehensive technical measures suited to local conditions for improving soils, reforming cultivation methods and preventing and wiping out plant diseases and insect pests so as to raise per-unit yield. We should step up afforestation, rationally use forest reserves and continue to curb indiscriminate felling of trees through resolute measures. While promoting the steady growth of agricultural production, we should get heavy industry to better serve agriculture, light industry and technical transformation and should continue to apply the principle of giving light industry priority in the supply of energy and raw and semi-finished materials, access to transport facilities, allocation of investment and loans and use of foreign exchange. As for light industry, we should constantly improve the quality of its products, increase designs and varieties, develop new lines of products and ensure a fairly high rate of growth in the production of consumer goods so as to maintain and expand the present fairly ample market supply.

In the next five years, we must work harder to build key energy and transport projects and promote the technical transformation of existing enterprises. The success or failure of the key construction projects has a vital bearing on the future of China's modernization and on the fundamental interests of our people. The whole nation should support these projects and the entire working class and the people of all our nationalities should contribute to their construction. There are 890 large and medium-sized projects to be continued or started during

the Sixth Five-Year Plan period. Of these, 93 major ones, each calling for investment of 500 million yuan or more, are already under way. More major projects will be undertaken in the Seventh Five-Year Plan period. We should step up expansion of the power industry by building hydroelectric, thermal and nuclear power stations. A number of large hydroelectric stations should be gradually constructed along the upper reaches of the Huanghe River and the upper and middle reaches of the Changjiang River and its tributaries, and in the Hongshui River basin. A number of electric power stations should be built one after another near the coal mines in Shanxi Province, Inner Mongolia, Huainan and Huaibei regions in Anhui Province and the Liupanshui region in Guizhou Province. On the one hand, we should concentrate on exploiting the big opencut mines in Shanxi Province and Inner Mongolia to increase the production capacity of the coal industry and, on the other, speed up the building of small and medium-sized mines in a planned way. In the petroleum industry, we should stress general surveying and prospecting both inland and offshore and strive to verify as soon as possible the reserves of a number of new oil and gas fields. In tackling the energy problem, it is essential to continue to apply the policy of laying equal stress on development and conservation. In every new project we should make rational use of energy by adopting new energy-saving techniques and technologies. With regard to railways, we should focus on augmenting their capacity to carry coal while actively transforming old lines and building new ones where necessary. To meet the needs of domestic economic development and foreign trade, we should increase the capacity of harbours, inland waterways, roads and air transport, and further improve post and telecommunications facilities. While concentrating on the energy and transport industries, we should ensure a corresponding expansion of the metallurgical, chemical, building materials, electronics and machine-making industries and strengthen geological prospecting. Like construction of the key projects, energetic promotion of technical transformation of enterprises is an important

condition for all-round fulfilment of the Sixth Five-Year Plan and for ushering in a new period of vigorous economic growth. Under unified planning, in the next five years we will step up technical transformation of existing enterprises, especially of major enterprises in key industries and important cities, so as to raise the technological level of production in a significant way. The focus of such technical transformation will be the improvement of the properties and quality of products and the lowering of consumption of energy and raw and semi-finished materials.

We must continue to improve the people's living standards in both town and country and strictly control population growth in the next five years. Both income and consumption levels in town and country will go up with expanded production and higher productivity. The supply of non-staple foodstuffs will steadily improve, as will the quality of people's clothing. General durable goods such as bicycles and wrist-watches will by and large meet market demand and more and more home electrical appliances such as TV sets and washing machines will be available to both urban and rural families. We must vigorously tighten market and price control and continue to keep commodity prices basically stable. A large amount of housing will continue to be built in urban and rural areas. The growth of urban infrastructure should match expanded production and construction of residential areas. Special effort should be made to increase the supply of water and gas to big cities and to improve public transportation services. We will strive to expand medical, public health and social welfare services in both town and country and ensure environmental protection. Stimulating production and improving the people's living standards both require that we continue to lay special stress on population control. This is our national policy, a policy of fundamental, strategic importance. We must persistently advocate late marriage and one child per couple, strictly control second births, prevent additional births by all means, earnestly carry out effective birth control measures and firmly protect infant

girls and their mothers. In order to promote family planning, we must use all available means to provide diverse forms of old-age care

In performing our tasks in the coming five years, we must pay special attention to helping the areas inhabited by minority nationalities develop their economy and culture and enhance their prosperity

While working to accomplish these tasks, particularly of giving priority to key construction projects, we face the most urgent problem of inadequate financial resources with serious decentralized use of funds. In the four years from 1979 through 1982, the total output value increased by 33.6 per cent, which is not a small figure, but our state revenue in the same period dropped by 3.3 per cent. We must carefully analyse the reasons for this state of affairs, arrive at a common understanding and take resolute and effective measures to bring about a speedy change. Otherwise, there will be no adequate financial and material guarantees for our key construction projects and our plan for laying a solid foundation in the 1980s and entering a new period of vigorous economic growth in the 1990s will fail. The State Council holds that the problem should be solved earnestly through the following three channels:

First, strive for better economic results and open up new sources of revenue.

A major reason for the decline in state revenues over the past few years was poor economic results as manifested in the continuing high cost of industrial production and transport and the large amount of funds being tied up in commodity circulation. The costs of comparable products of industrial enterprises rose by 0.9 per cent in 1980 and 1 per cent in 1981, and failed to drop in 1982. This alone meant a decrease of 4-5 billion yuan in state revenue. In 1982, the combined deficit of industrial enterprises that ran at a loss came to 4.2 billion yuan. Add to this the operating losses in grain and commercial enterprises, and the total loss rises to over 10 billion yuan. Unless this situation is changed soon, it is bound to seriously affect

our construction and production. All departments, localities, and enterprises must bear firmly in mind the need for improving economic results and must never stress input to the neglect of output, stress state investment to the neglect of making contributions to the state in return.

Shifting the focus of our economic work to improvement of economic results must not remain a general call, but must be turned into effective action. Be it economic readjustment or consolidation, technical transformation or structural reform, the objective must always be improvement of economic results and an increase in state revenues. Consolidation of enterprises is essential for obtaining better economic results and should be speeded up and improved so that this task is done earnestly in all existing enterprises before 1985. All departments, localities, enterprises and institutions should unfailingly cut down production costs and other expenses specified in the state plan. Any enterprise that fails to do so will incur a proportional deduction in the portion of profit retained for its own use. All units must turn over all the funds assigned them by the state in the form of taxes and profit quotas. Any unit that fails to do so because of poor management is, in principle, not entitled to give wage increases to its workers and staff members. Appropriate quotas must be set according to the merits of each case for the amount of circulating funds used by enterprises, and any unauthorized increase is forbidden. All enterprises that run at a loss due to poor operation must reverse this trend within a given time limit. Otherwise, they must be ordered to shut down, suspend operations, amalgamate with others or switch to the manufacture of other products. All units and workers and staff members should immediately swing into action and increase production and practise economy, restore or strengthen labour discipline, raise work efficiency and firmly struggle against any extravagance and waste, indiscipline and irresponsibility. All localities, departments, enterprises and institutions must set specific goals for improving economic results and adopt and carry out concrete measures to achieve them.

Second, properly distribute national income and increase the proportion in it of financial revenue

Another important reason for the state's inadequate financial resources in recent years is excessive decentralization of funds, which means that too little is concentrated in the hands of the state. The proportion of financial revenue in the national income dropped from 37.2 per cent in 1978 to 25.5 per cent in 1982. The numerous problems accumulated over the years demand that we spend more money on improving the people's standard of living and on increasing the funds at the disposal of enterprises, and it is also reasonable to reduce the proportion of financial revenue in the national income to some extent. But some of our measures are a bit too drastic and this, coupled with the fact that financial control is not strict enough, leaving many loopholes, has caused the proportion of financial revenue to drop too much. This is in sharp contrast to extra-budgetary funds which have increased considerably, rising from 37.1 billion yuan in 1978 to 65 billion yuan in 1982, a 75.2 per cent growth within just four years. Because of the serious over-decentralization of funds, it has been impossible to control the overall scale of capital construction, resulting in overlapping or blind construction, and it has also been difficult to check the growth of funds for consumption and, in particular, the rapid growth in the indiscriminate handing out of bonuses and subsidies in cash or in kind. Under no circumstances should this state of affairs be allowed to continue. Otherwise, the country's key construction projects cannot be carried out, normal economic order and the appropriate ratios restored through painstaking efforts may be upset again, the major policy decisions and measures of the central authorities may not be implemented and the progress of China's socialist modernization may be impeded.

Both the 12th National Congress of the Chinese Communist Party and the Fifth Session of the Fifth National People's Congress clearly

enunciated the policy of concentrating funds for key construction projects and of strictly controlling the scale of capital construction. But this problem has not yet been solved in a satisfactory way due to a generally deficient recognition of its importance and urgency, the failure of the government to take sufficiently forceful measures and the lack of strict checkup and supervision. The State Council holds that, in future, rational distribution of national income, prevention of excessive decentralization of funds, and appropriate increases in the proportion of financial revenue in the national income must be placed on the agenda as an extremely important task of our government work. In distributing the national income, we must give consideration to both the overall interests of the people and those of the individual and to both long-term and immediate interests. We should gradually enable the people to become well-off and enterprises to increase their earnings on the basis of growing production and national income; at the same time, we should see that state revenue rises steadily and the state as a whole prospers step by step. The rate of increase for wages, bonuses and welfare funds for workers and staff members must be less than that for profits and taxes turned over to the state by the enterprises, and the practice of indiscriminately issuing bonuses must be stopped. The increase in peasant income must come mainly from expanded production and lower costs. The state provides 32 billion yuan in price subsidies for farm produce and other kinds of subsidies at present. If measures are not taken, this figure may continue to rise sharply in the future. This is beyond the state's financial capability and must be checked. In regard to enterprises, we must not return to the former practice of "unified receipts and allocations by the state." Nevertheless, the state must be assured of the largest share of the increased profits of the enterprises, mainly through taxation and the fixing of a rational ratio between the after-tax profits to be kept by the enterprises and the amount to be turned over to the state. The centrally controlled proportion of state revenue must be raised appropriately so as to meet the needs of key con-

struction projects and other state expenditures. China is still rather poor and we must strongly advocate hard work and thrift in building the country and the viewpoints of taking overall interests into account and of subordinating the part to the whole. There is now violation of the law and discipline in some establishments, including misuse of and unjustified additions to production costs, tax evasion, withholding of revenue that ought to be turned over to the state, appropriation of state property for use by individual units, and appropriation of public property for private use. These practices must be investigated and rectified. Leading cadres at all levels should act courageously in safeguarding the state interests, strictly enforce financial and economic discipline and unflinchingly struggle against such bad practices.

Third, correctly determine the overall scale of capital construction and strive to ensure funds for key construction projects and to increase returns on investment

Capital construction must be done on an appropriate scale in order to lay a solid foundation for vigorous economic growth. But the scale must match our national strength and must not exceed our financial and material capabilities. If we fail to observe this objective economic law, we shall be punished by reality. Our present capital construction is already on a fairly large scale. The problem is that state budgetary investment in key construction projects in the fields of energy and transport has failed to reach the amount planned, while capital construction by localities, departments and enterprises using their own funds or different kinds of loans is out of control and construction of ordinary processing industries and non-productive enterprises far exceeds the plan. We must change this situation in good time and exercise strict control over the overall scale of capital construction so as to muster the resources of the whole country for building a group of modern backbone projects and transforming a number of present key enterprises and thereby lay a solid foundation and prepare adequate reserve forces for China's economic growth.

The large, backbone projects undertaken as key items call for enormous investment, entail a long construction cycle and require a series of auxiliary projects. Therefore, we must not undertake too many such projects at the same time. We must act according to our capabilities, make comprehensive plans and take all factors into consideration. Otherwise, there will be no funds to build construction projects that bring quick economic returns, or to expand agricultural production, the market for manufactured goods turned out by light industry and our intellectual resources. This will seriously pull down our economic growth rate in the near future and may even once again cause an imbalance in national economic growth. There must be a high degree of centralized and unified management of capital construction as a whole, with the State Planning Commission responsible for ensuring an overall balance. With regard to the key construction projects, the State Planning Commission, the economic departments in charge and relevant local governments should make adequate preparations, act strictly in accordance with capital construction procedures and plan, design and build meticulously, as they did for construction of the 156 major projects during the period of the First Five-Year Plan (1953-57). At present, waste in capital construction is appalling, and investment in many key projects is above budgetary estimates. According to a survey of 176 large and medium-sized projects now being put up, investment to date already exceeds the original budgetary estimates by 18.5 billion yuan. For some items, this is admittedly due to the original estimates having been set too low, but in most cases it is due to a variety of irrational factors. In future, a strict economic responsibility system must be practised in capital construction and waste of all kinds eliminated. No locality, department, unit or individual is allowed to collect fees arbitrarily or extort anything from the organizations charged with building the key construction projects. The State Council has decided to organize, after this session, necessary forces to conduct investigations at the key projects. Units which have done their work well will be commended and those whose work is poor exposed and criticized. Those

who have caused serious losses and waste by neglect of duty must be punished according to administrative discipline and the law. We must live up to the expectations of the people by displaying a high sense of responsibility to the state and the people and making good use of the funds they have accumulated through diligent labour.

II. Restructuring the Economy

It is imperative to speed up structural reform of the economy so as to meet the requirements of economic development. At its Fifth Session, the Fifth National People's Congress approved the measures submitted by the State Council to be taken in the last three years of the Sixth Five-Year Plan period to restructure the economy. They are being implemented as follows: After six months of preparatory work, the first step in instituting a system of taxation instead of delivery of profits to the state has been taken in all state-owned industrial and commercial enterprises as of June 1. In conjunction with the restructuring of government administration, we are expanding experiments in encouraging key cities to organize production and circulation better as a way to handle properly the contradictions between higher and lower levels and between departments and regions. The plan for reform of the system of rural commodity circulation has been put into effect on a trial basis throughout the country. These three reforms, being a breakthrough in the present organization of the economy, have already started, but much remains to be done and we should continue to push the work ahead.

We have stepped up study and overall planning for restructuring the economy as a whole and will try to work out as soon as possible a programme for trial application at selected points and in a few given regions so that it can be extended step by step throughout the country during the Seventh Five-Year Plan period. Comprehensive restructuring of the economy requires special efforts to solve the following problems:

First, to reform the planning system and strengthen the state's effective control over the

national economy and guidance to it. The reform of the planning system is an important link in restructuring the economy as a whole. Under the principle of ensuring the leading role of the planned economy supplemented by market regulation, we should adopt such methods of management as mandatory planning, guidance planning or market regulation with regard to different enterprises, products and tasks. We should do a better job of economic forecasting and step by step devise scientific regulations for planning as regards decision-making, programming, overall balancing, appraising and job responsibility so as to improve and refine the entire planning system. While making proper use of administrative and legislative means, the state should use more effectively such economic levers as pricing, taxation and credits, strengthen statistical work and supervision by statistical means and guide the economic activities of localities, departments and enterprises in the right direction, so as to ensure fulfilment of the state plan.

Second, to organize production and circulation according to the requirements of large-scale socialized production and develop a single socialist market. The main points are as follows: Take cities as centres and organize economic activities according to the inherent laws of economic growth, breaking down the barriers between regions, departments and town and country. We must continue to reorganize or merge enterprises on the principle of achieving co-ordination among specialized departments and improving economic results, and gradually rationalize the organization of enterprises and their system of management. We must earnestly remove barriers and blockades, open up diverse channels of circulation and reduce intermediate links in circulation to ensure the free flow of commodities and gradually form inter-trade and trans-regional economic zones and networks. Work in this respect should be started in the large and medium-sized coastal cities, selected cities in the hinterland and some new major economic bases. Such work can be undertaken later in economically underdeveloped regions where conditions are not yet ripe.

Third, to reform the financial system and the wage and labour systems. The system of taxation instead of the delivery of profits to the state should be improved, some new taxes introduced where necessary, tax rates properly readjusted and revenue going to the central and local authorities and that shared by both according to different categories of taxes be clearly defined, with a view to improving and stabilizing the relations between the state and enterprises and between the central and local authorities in distribution of revenue. Reform the wage system step by step, carry out the principle of "to each according to his work" and overcome equalitarianism so as to link the income of the workers and staff members closely with economic results, the success or failure of enterprise operation and their own contributions in work. Reform the personnel system step by step so that people can be transferred to other jobs or go to a higher or a lower post as required, departments or enterprises can employ or appoint people according to their merits and the labour force can be handled flexibly under the guidance of the state plan so that trained personnel can be used rationally and can make professional progress.

The reforms we are carrying out or are about to carry out are aimed at overcoming the shortcomings and defects in the present organization of the economy which hamstring the growth of the productive forces, gradually creating a new economic structure suited to China's conditions and building socialism with distinct Chinese characteristics. Though being a revolution in themselves, such reforms are of course not designed to bring about a fundamental change in the social system. They are not meant to shake or go against the socialist system; on the contrary, they constitute a process of its self-improvement and self-perfection. They are conducted consciously on the strength of the socialist system itself and through the practice of hundreds of millions of people under the leadership of the Party and the state and the guidance of Marxism-Leninism and Mao Zedong Thought. Through these reforms, the basic system of socialism will be consolidated and de-

veloped and its specific systems improved and refined so as to promote the smooth growth of the productive forces. Of course, after the newly restructured economy is established for a time following our concentrated efforts for comprehensive reform, it will still be necessary, as production and technology grow and other conditions change, to continue reforming one link or another in the economy.

In recent years, we have made significant successes in reforms in the rural areas. There are both similarities and dissimilarities between the reforms in agriculture and those in urban industrial and commercial enterprises. The similarities are evident in that in both cases the reforms have made it possible for the production and commercial units and the working people to link their material interests closely with the fruits of their labour and with the expansion of the material production of all society and hence unleash their initiative. However, as there are different types of ownership, levels of the productive forces and extent of socialization, reforms in the cities are more complex than in the countryside. Therefore, we should draw from the experience in rural reforms only what is common to both and must not mechanically apply the specific forms of operation and management suited only to agriculture to urban industrial and commercial enterprises and other undertakings. Since more than 80 per cent of the state revenue comes from urban industrial and commercial enterprises, the outcome of reforms in the cities has a vital bearing on the national economy as a whole. We must pay special attention to the fact that while we are restructuring our economy, we are continuing economic readjustment and striving to bring about a fundamental change for the better in the financial and economic situation. This means that in making reforms we must pay full attention to our economic capability and that while we must be firm, we should also guard against impetuosity. Wherever necessary and feasible, experiments should be conducted in order to gain experience and then it should be spread step by step.

The State Council holds that, while minor defects are unavoidable and not difficult to remedy in the course of reform, we must see to it that major defects are avoided. Each step or measure taken in reform must help fulfil the tasks set in the state plan and lead to the harmonious growth of the national economy, to the achievement of better economic results from various economic activities and to the interests of the state, the collective and the individual and to the guarantee of a steady and rational growth of state revenues. All localities, departments and enterprises must give first priority to safeguarding the overall interests of the state and those of the consumers in carrying out reforms. This is the only way to ensure a successful restructuring of the economy.

Some comrades now hold that reform simply means decentralization of power and interests. This view is both incorrect and harmful. It is wrong to exercise excessive and rigid control over specific economic activities of enterprises which hamstrings their initiative. A proper measure of flexibility is entirely necessary. But major economic activities that concern overall interests should nevertheless be centralized. Any attempt to weaken such centralization means retrogression rather than progress and cannot ensure the growth of our economy along socialist lines. Powers and interests appropriate to enterprises must be respected. But it must first of all be made clear that as the reform gradually spreads, much higher demands and ever heavier responsibility will be placed on the enterprises. For the various forms of responsibility system characterized by the combination of responsibility, power and interests, responsibility is of primary importance. A determined reformer should not fight for partial interests and power, but should be fully aware of his or her responsibility and fulfil it, strive to improve operation and management, promote technical progress, strengthen labour discipline, do such work as bookkeeping well and achieve better economic results. All enterprises and all workers and staff members should focus their attention on these points. Leading economic bodies at different levels and all enterprises should exert

themselves to raise the quality of their work to meet the standards required by the reform.

The restructuring of our economy is a big event in our economic life and in society at large. Leaders at all levels must have a clear idea of the fundamental objective of the reform and adhere to its correct orientation and principles. In instituting any reform, we should take into account not only its own merits but also its relationship and co-ordination with other reforms, and not only the immediate effect but the long-term impact. We should closely combine the reform with the readjustment of the economic structure and the consolidation and technical transformation of the enterprises so that they help and promote each other. In the course of reform, we must strengthen and persevere in ideological and political work, bring about a common understanding through intensive, meticulous and convincing publicity and education and overcome erroneous ideas that hinder the successful institution of the reform. Governments at all levels, including the State Council, must exercise better leadership, support and set value on any innovation by the masses that is in keeping with the orientation of the reform, promptly study and solve any new problems that crop up in the process and systematically guide and push the restructuring of the economy forward.

III. On the Development of Education, Science and Technology, and Culture

From now on we should stress the development of intellectual resources, giving priority to the development of culture which focuses on the promotion of education and science and technology. This is a prerequisite for invigorating China's national economy. By greatly enhancing the people's scientific and educational level as well as their political awareness and moral standards, we will be able to provide a tremendous dynamic force for economic and social development and for advancing socialist material and spiritual civilization. This is a question of great concern to the whole nation, and many

comrades have made a good number of useful suggestions. Governments at all levels must firmly overcome the erroneous tendency of belittling cultural work and make the development of intellectual resources an important item on their agenda.

We must now give prominence to developing higher education and quickly training personnel for all trades and professions. The State Council recently approved the report submitted by the Ministry of Education and the State Planning Commission on speeding up the expansion of higher education in different forms. Enrolment in regular colleges and universities is to rise from 315,000 in 1982 to 550,000 in 1987, a 75 per cent jump in those five years. We will also try to provide higher education through such forms as radio, TV and correspondence university classes and evening colleges, and colleges for training managerial personnel and for advanced training of teachers so that their enrolment can grow from 290,000 in 1982 to 1,100,000 in 1987, a 280 per cent rise. To carry out this plan, the state will ensure the investment and materials for major construction projects. We will also adopt necessary policies and organizational measures to encourage people to become educated through independent study and to train young and middle-aged cadres in rotation and in a planned way, so that there will be more specialists in all trades and professions.

China's specialized secondary school education has been slow in growing over the years, with the result that the ratio of intermediate and high-level specialists is seriously out of balance. This holds back expansion of the technical force at the frontline of production, resulting in an enormous waste of investment in education. We must lose no time in restructuring secondary education and setting up vocational and technical schools in a planned way. Senior middle vocational school students should account for over 40 per cent of the total senior middle school enrolment in the next five years. This requires training more teachers for vocational and technical schools, encouraging qualified scientific and technical personnel and master craftsmen to join

the staff of vocational schools or give courses in them, and urging factories and mines to run classes jointly with regular schools.

More and more workers, peasants and young people have now come to realize from their own experience the importance of learning scientific and general knowledge and political theory. There is a rising enthusiasm for studying. Governments at all levels, enterprises, communes and production brigades must do their best to develop education to satisfy the demand of workers and peasants. Primary and secondary education constitutes the foundation. We must make great efforts to train primary and secondary school teachers, help them improve the teaching standard, and create a fine atmosphere of respect for teachers in society at large. We must strive to make primary education universal and wipe out illiteracy, first and foremost, among adults. Pre-school education is highly important and must be developed in a planned way. We must train more and better teachers for such education and improve it gradually. We must do a good job of compiling teaching materials, improve teaching methods, and steadily raise the quality of education of all kinds and at all levels.

Economic growth is dependent on scientific and technological advances. Last February we brought together several hundred scientists, technical experts and leading members of the departments concerned to work out a 15-year scientific and technical development programme (1986-2000) that would co-ordinate scientific and technological advance with economic and social development. Policies concerning technology and equipment will likewise be worked out for agriculture, energy, communications and transport, computers, the machine-building industry, raw and semi-finished materials and consumer goods. These should provide a sound scientific and technological basis for drawing up a long-term programme for overall economic and social development. Efforts should be continued during the Sixth Five-Year Plan period to build the 38 key research projects and to disseminate and apply 40 major scientific and technological re-

search achievements. Apart from key research projects designated by the state, various departments, localities and enterprises should undertake research according to their own needs and possibilities. In addition, the government is organizing the scientific and technical personnel concerned to make first-phase preparations and begin research on important construction subjects for the 279 major projects now planned. We should also strive to digest, assimilate and spread advanced technology introduced from other countries so as to raise China's level of production and technology more quickly through imported technology and joint production.

The most pressing problem confronting us is the unified arrangement and proper use of scientific and technical personnel. In order to do this, we will take the following measures: 1) Break down the barriers between departments and between regions and work out unified placement and appropriate use of scientific and technical personnel on a nationwide scale through the drawing up of the development programme, the joint tackling of key scientific and technical projects and establishment of technological development centres. 2) Transfer in a planned way a number of scientific and technical personnel from heavy and defence industries to energy, transport, light industry and agriculture where such personnel are few; transfer a number of personnel from institutions of higher education and scientific research that are well staffed to secondary schools or vocational schools to augment their teaching staff. 3) Set up a system of rational interflow of scientific and technical personnel so that they can move from overstaffed to understaffed departments and to encourage them to go to small and medium-sized cities, the rural areas, national minority areas and remote border regions. 4) Create a system of dual control over the country's scientific and technical personnel, grading them according to whether they come under the management of the central or local authorities and according to their trades or professions and specialties. 5) Improve the systems of appraisal, promotion and awards and the conferring of academic titles on scientific and technical personnel so as to raise

the professional competence of those who are young and middle-aged.

Under the guidance of Marxism-Leninism and Mao Zedong Thought and the principles of integrating theory with practice and of "letting a hundred flowers blossom and a hundred schools of thought contend," people specialized in philosophy and other social sciences should conduct creative research into the major ideological, theoretical and practical problems arising from our socialist modernization, summarize from a historical perspective the achievements and lessons gained in all fields since the founding of the People's Republic and analytically study and criticize different trends of thought in the world so as to assimilate what is useful and produce research results of high quality. After some years of effort, we will establish a modern, nationwide research network step by step in philosophy and other social sciences that embraces a complete range of disciplines and subjects, each with distinctive characteristics but co-ordinated in their development, and is rational in geographical distribution.

The departments of culture, the arts, the press, publishing, broadcasting and television should constantly educate the people in patriotism and collectivism and in socialist and communist ideology so as to promote socialist spiritual civilization. Focusing on raising the quality of their works or products, these departments should adjust and restructure their administrative systems, consolidate their ranks, update their basic facilities and enrich the people's cultural life by meeting the diverse needs of the people who differ in age, occupation, educational level and interests, creating and providing more and better works that are to the people's liking and organizing all kinds of cultural, recreational and sports activities for every section of the people. We must improve our radio and TV programmes, the movie industry and the work of publishing, printing and distribution and build more and better libraries, scientific and technological centres, museums, archives, cultural centres, youth and children's palaces and sports facilities so as to meet the needs of our people.

especially the young, for study and recreation. We must continue to protect historical relics well. We must do our best to spread scientific knowledge among the people and familiarize them with the fine ideological and cultural heritage of mankind in different ways through modern techniques of reproduction and transmission. Our works should reflect the activities of the people in the great modernization drive in a profound and graphic way so as to arouse boundless enthusiasm for progress. Our objective in providing nourishment for the mind should be not only to meet the people's requirements for proper entertainment and aesthetic enjoyment but, above all, to satisfy their thirst for knowledge in all fields. We should not only help them enrich their mental world and live by higher moral standards, but also significantly raise their ability to know and change the objective world.

The leading bodies in charge of ideological and cultural work at all levels must ensure the quality of our intellectual and artistic products by respecting artistic principles and the creative work of writers and artists. Our literary and artistic systems should be reformed step by step and under guidance. Our aim is to ensure the flourishing of socialist literature and art and enhance the ideological and artistic quality of writers and artists and of their works. While continuing to overcome "Left" errors, we must constantly watch out for the tendency of some works towards crass commercialism regardless of social consequences; this has already appeared and had a pernicious influence. We should adopt effective measures to rectify this tendency. For a considerably long time to come, we will strive to expand socialist commodity production and exchange, which nevertheless are essentially different from the profit-grabbing and anarchic commodity production characteristic of the capitalist system of private ownership. Most intellectual and artistic products circulate in the form of commodities, but in no case must we allow the decadent ideology of "putting money above everything else" to spread unchecked in our society. All honest, patriotic and revolutionary writers and artists must not

treat their works and performances as a means of grabbing fame and fortune. The tendency towards bourgeois liberalism in ideological and cultural work and disregard for social consequences are incompatible with the policy of serving the people and socialism, and we must continue to criticize such trends. All ideological, cultural and art workers must cultivate a deep sense of responsibility to the people and live up to their expectations.

We must run our medical and health services better. Attention should be paid to the promotion of traditional Chinese medicine while developing modern medicine. The tendency of ignoring the treasure house of medicine of our motherland must be overcome. We must continue to uphold the principles of putting prevention first, of giving consideration to both town and country and of combining Chinese and Western medicine. We must gradually reform the present medical systems, strengthen the building and management of medical and public health facilities at all levels and raise the quality of medical service and treatment. We must continue the mass patriotic public health campaign and prevent and cure infectious and endemic diseases of all kinds. We should encourage mass sports activities in urban and rural areas with the focus on improving physical culture in schools and strive to raise our athletic standards.

The key to strengthening cultural work lies in implementing more fully our policies on intellectuals so as to bring their enthusiasm into full play. All departments and localities should, in the light of their own conditions, adopt measures to improve their work towards intellectuals in real earnest. Intellectuals should receive gradual and appropriate increases in remuneration for their work. Since the salaries of those middle-aged intellectuals who play the backbone role are far too low, the state will, despite financial difficulties, do its best to raise their salaries gradually to a level corresponding to their posts and titles.

In order to tap our intellectual resources and promote the advance of education, science, literature and art, physical culture and public health,

thus ensuring a balanced and proportionate economic and social development in our country, the State Council has decided to increase investment in these areas year by year. However, apart from financial allocations by the state, it is necessary to arouse the enthusiasm of localities, departments, mines, factories, enterprises, rural people's communes and production brigades and the people at large for investment in the development of intellectual resources. The state, the collective and the individual should make joint efforts to promote cultural advance

IV. On State Power and Law Enforcement

The success of China's modernization requires us to redouble our efforts to build socialist democracy and the legal system, improve the work of public security, the procuratorate and the judiciary, curb violations of the law and social discipline, make a fundamental turn for the better in the standards of social conduct and continue to strengthen political stability and unity

The new Constitution is the basic statute for the Chinese people in running the affairs of the state. The people must be educated and organized to enforce it conscientiously. Governments at all levels and their functionaries should set an example by resolutely upholding the inviolability of the Constitution and become models in abiding by it. We hope that deputies to the people's congresses at all levels and the people at large will strictly supervise government functionaries in this respect. We shall continue to reform and improve government institutions and the system of leadership in accordance with the provisions of the Constitution. Provincial, municipal and autonomous regional governments should carry forward their organizational reform and do it well. Government institutions at the county and grass-roots levels will be gradually reformed in the coming winter and the following spring. Governments at all levels should aim for better systems and style of leadership and better responsibility systems, closer ties with the masses and effective forms of

supervision both from above and below, so as to overcome manifestations of bureaucratism and increase work efficiency. All government functionaries should strictly abide by the law and discipline, work selflessly in the public interest and serve the people wholeheartedly. Disciplinary measures, including demotion and dismissal, must be firmly adopted against bureaucrats responsible for big financial and material losses to the state. Those who commit criminal offences must be called to account according to criminal law. Whoever defies the law and discipline and wilfully encroaches upon the democratic rights of the people, seeks personal gain by abusing his position and power, or participates in economic and other criminal activities must be dealt with according to law. There must be no connivance with wrongdoing

We shall continue to speed up economic and administrative legislation. The State Council will have a number of economic statutes enacted so as to serve the requirements of China's modernization. Leading members of government economic departments and other economic organizations should learn how to use legal means to supervise economic activities so as to plug the loopholes and overcome weak points that criminals of different stripes may exploit and to safeguard socialist economic order.

Reform and strengthening of public security, procuratorial and judicial work and co-ordinated efforts by all quarters concerned constitute the key to making a fundamental turn for the better in public order and social conduct. There has been improvement in recent years thanks to the efforts made by various quarters, but public order is still not as good as in the best years after the founding of the People's Republic. Such criminal offences as murder, robbery, rape and larceny pose quite a problem in some places. The recent plane hijacking indicates that there are serious loopholes and defects in our system of management, that public security, procuratorial and judicial departments have failed to perform some of their functions effectively as organs of dictatorship and that some departments are intolerably apathetic both politically and ideologically, maintaining not the

slightest vigilance against enemies. We must draw lessons from this incident. We assuredly can fight more effectively to prevent and eliminate such cases if governments at all levels, the public security, procuratorial and judicial departments and the entire people co-operate closely. The handful of hostile elements and incorrigible, inveterate criminals, regardless of what they do through covert sabotage or reckless moves, shall not be able to escape due punishment. We must suppress counter-revolutionary activities and deal powerful blows at criminal offences in the economic and other spheres, and we must not relax our efforts under any circumstances. The public security, procuratorial and judicial organs at all levels, for their part, should maintain close ties with the masses, rely on them, organize all social forces and co-ordinate all efforts to prevent the commission of crimes and educate and redeem those who have gone astray. It is imperative to build up urban residents' committees, villagers' committees and public security and people's mediation organizations under them and to encourage the urban residents and peasants to draw up common pledges and work regulations, so as to foster the initiative of the masses in maintaining public order and observing social morality as masters of the country. We must help the people to solve ideological problems and to mediate disputes among themselves so that these can be resolved before they get out of control. Centres for reforming criminals or educating offenders through labour should be consolidated and the various forms of work-study schools for juvenile delinquents should be run well. We should inspire self-respect among young offenders and provide those who have mended their ways with the opportunity to turn over a new leaf.

We should make great efforts to strengthen the ranks of the public security, procuratorial and judicial personnel to meet the needs of their work, enhance their political quality and professional competence, raise their social status, improve their skills and facilities and increase their ability to combat crime. All those working in this field, leading cadres at different levels in particular, must acquire the political quality of

utter devotion to the state and the people as well as the revolutionary spirit of "fearing neither hardship nor death," and they must constantly improve their attitude towards the masses, democracy and legality and heighten their sense of organization and discipline. They should always have the people's interests in mind and handle cases in strict conformity with the Constitution and law. They should see that the laws are strictly observed and enforced and that law-breakers are punished. More secondary schools and institutes of political science and law should be established to provide regular training for in-service personnel so that the public security, procuratorial and judicial contingents become a well-trained force cherished by the people as the pillar of public order.

Fellow deputies,

China's socialist modernization is being carried out in a complex and turbulent international situation. To protect the security of the state and strengthen our struggle against espionage, the State Council is submitting to the present congress for its approval the request to establish a Ministry of State Security which will provide more effective leadership over such work.

We must continue to modernize our national defence and raise our national defence capabilities to keep pace with current international developments. The Chinese People's Liberation Army must step up its military and political training, strive to revolutionize, modernize and regularize itself, and increase its capability for operations by combined army units and for quick response under conditions of modern war. We should speed up research, testing and manufacturing of weapons and update their technological level. We should improve the system of military service and build a strong militia. We should continue to carry forward the fine traditions of supporting the government and cherishing the people, supporting the army and giving preferential treatment to families of servicemen and martyrs and to strengthen the unity between army and government and between army and people. We should never forget our sacred duty to strengthen our national defence so as to

ensure the success of China's socialist modernization

V. On Foreign Affairs

Our socialist modernization requires a peaceful international environment. The preservation of peace is the common desire of the people of China and the rest of the world. The superpower contention for world hegemony is the main source of turmoil in the world today. It is imperative to oppose hegemonism in order to safeguard world peace. The Chinese Government takes opposing hegemonism and safeguarding world peace as the basic point of departure of its foreign policy and seeks to develop relations with other countries on the basis of the Five Principles of Peaceful Coexistence and to promote the progress of mankind.

The third world constitutes a powerful force against imperialism, colonialism and hegemonism. China is part of the third world. Our basic stand in foreign affairs is to strengthen solidarity and co-operation with other third world countries. It is our sacred duty to support other third world countries and people in their struggles to win and uphold their national rights. We firmly support the people of Kampuchea and Afghanistan in their struggle against aggression. Viet Nam and the Soviet Union must withdraw their troops immediately, unconditionally and totally from Kampuchea and Afghanistan respectively, leaving the people of these countries to settle their own affairs. We firmly support the Arab people, and particularly the Palestinian people, in their struggle against Israeli aggression and expansion. Israel must withdraw from the Arab territories it has occupied. The national rights of the Palestinian people must be restored to them. We resolutely support the Namibian people in their struggle for national independence and the people of South Africa in their struggle against racial discrimination and apartheid and for national liberation. We resolutely support the peoples of Central America, and particularly of the Caribbean region, in their struggle to uphold independence and sovereignty and to oppose foreign intervention.

Many third world countries in Asia, Africa and Latin America have entered the new historical stage of consolidating their political independence through expanding their national economy and have done very well in developing their economy. However, they are still faced with grave economic difficulties due to prolonged rule and plunder by foreign powers in the past and to the shackles of present unfair and unequal international economic relationships. The third world countries strongly demand that this irrational state of affairs be changed and that a new international economic order be established. The Chinese Government firmly supports this just stand. We believe that co-operation among the third world countries, known as South-South co-operation, is most important for propelling North-South negotiations and changing the old international economic order. Having always supported each other and helped supply each other's needs, we and other third world countries have moved further ahead in economic and technical co-operation in recent years. And we shall make still greater efforts to promote such co-operation, keeping to the principle of "equality and mutual benefit, stress on practical results, diversity in form and common progress."

Ever since its emergence, the non-aligned movement has played an increasingly important role in safeguarding world peace. The Seventh Conference of Heads of State and Government of the Non-Aligned Countries recently held in New Delhi put forward many constructive proposals for solving the major problems of the world today. We sincerely wish the non-aligned movement new successes in pursuing its aim and principles of independence and non-participation in any blocs and in combating imperialism, colonialism and power politics of all descriptions.

China always attaches importance to maintaining and expanding friendly relations with its neighbouring countries.

The Democratic People's Republic of Korea, our fraternal neighbour whose relations with us are as close as lips and teeth, is march-

ing forward unswervingly along the socialist road. We, the Chinese people, will always treasure our friendship with the Korean people, which has been cemented with blood. We wish to extend them our warm congratulations on their achievements on all fronts, and we resolutely support them in their struggle for independent and peaceful reunification of their fatherland.

Since the signing of the Sino-Japanese treaty of peace and friendship in 1978, much progress has been made in the relations between our two countries. For the further development of Sino-Japanese relations we put forward in 1982 the three principles of "peace and friendship, equality and mutual benefit, and prolonged stability," which have won the support of all sections of Japanese society. The Chinese and Japanese people alike share the desire to perpetuate such friendly relations from generation to generation. We are convinced that, provided the governments and people of both countries join their efforts to overcome interference, friendship and co-operation between the two countries are bound to grow steadily.

We are distressed by the fact that the once friendly Sino-Vietnamese relations have deteriorated to the point of serious confrontation in recent years as a result of the invasion and occupation of Kampuchea by the Vietnamese authorities who have pursued regional hegemony in Indochina and Southeast Asia, discriminated against Chinese residents and opposed China. Nevertheless, we are ready to continue our efforts to improve Sino-Vietnamese relations. The Chinese Foreign Ministry issued a statement last March expounding China's position and proposals for settling the Kampuchean question and improving Sino-Vietnamese relations, and this has won international public support. We hope that the Vietnamese Government will set store by the fundamental interests of the Vietnamese and Chinese people and give our proposals serious consideration.

We are happy to see that our relations with the ASEAN countries have developed in the struggle to safeguard peace and security in Sou-

theast Asia. We also note with satisfaction that our traditional friendship and co-operation with Bangladesh, Burma, Nepal, Pakistan and Sri Lanka are being constantly strengthened. There has also been some improvement in the relations between China and India in recent years. With two thousand years of peaceful relations behind them, China and India ought to be able to get along with each other well. The Sino-Indian boundary question left over from the past can without doubt be settled through consultations in the spirit of mutual understanding and mutual accommodation. Even if it cannot be settled for the time being, it should not stand in the way of improving our relations. We are ready to strive for better Sino-Indian relations.

There has been steady growth in the close solidarity and friendly co-operation between China and the Socialist Republic of Romania and the Socialist Federal Republic of Yugoslavia. The Chinese people are gratified to see the remarkable achievements made by the people of Romania and Yugoslavia in socialist construction. We can learn much from their valuable experience. The friendship between us can stand all tests.

The Chinese people also cherish friendly feelings towards the people of the other East European countries. We are interested in their accomplishments and experience in socialist construction. In recent years, our economic, cultural and sports exchanges with these countries have been increasing. We believe that, through joint efforts, the relations between China and these countries will continue to improve.

China appreciates and supports the efforts made by West European countries to strengthen their unity and the positive role they have played in international affairs. It maintains good relations with many developed countries in Western Europe, North America and Oceania. Facts have shown that countries with different social systems can coexist in peace and co-operate on an equal footing. We shall, as always, continue our efforts to expand and

deepen our co-operation and exchanges with these countries in the political, economic, cultural, scientific and technological and other fields.

Since the establishment of diplomatic relations between China and the United States in 1979, there has been some development in the relations between the two countries, but it falls far short of what could have been achieved. The United States has formulated the so-called "Taiwan relations act" and continues to sell arms to Taiwan in serious violation of the public commitments it undertook in all the Sino-US communiques and the principles governing the establishment of Sino-US diplomatic relations that both parties agreed to. The Chinese Government and people set store by Sino-US relations, but they will never tolerate any infringement on China's sovereignty or any interference in its internal affairs. The US Government should strictly observe the Sino-US communiques and stop doing anything that harms Sino-US relations and hurts the Chinese people's feelings. This is the only way to ensure sound development of Sino-US relations.

The relations between China and the Soviet Union have been strained over a long period of time, and this is not to the advantage of either party. The people of China and the Soviet Union are all interested in the normalization of relations between the two countries. The Chinese side put forward positive proposals for normalization during the Sino-Soviet consultations which started last October. We hold that to improve Sino-Soviet relations, the first step to be taken is for the Soviet side to remove the real threat to China's security. This is a major issue that cannot be evaded. We are waiting for the Soviet side to prove its good faith by deeds.

The fundamental principles governing China's foreign policy have been written into our new Constitution. These principles are entirely correct and the Chinese Government will unswervingly carry them out. As always, we shall join all countries and people that love

peace and uphold justice in firmly opposing hegemonism and striving for the progress of mankind and world peace.

Fellow deputies,

The reunification of the country and the unity of the people of all our nationalities provide the fundamental guarantee for the growing strength and prosperity of our motherland. The people of all our nationalities, including our compatriots in Taiwan, Xianggang (Hongkong) and Aomen (Macao) and Chinese nationals residing abroad, eagerly look forward to the reunification of the motherland at an early date, and this is our most sacred task. All Chinese at home and abroad who wish to see their motherland reunified, strong and prosperous have been working in various ways to promote the peaceful reunification of the motherland. Let us express our appreciation to all those who have contributed to this goal. We must continue our efforts to remove as soon as possible this artificial barrier that separates the people on both sides of the Taiwan Strait. We shall, at an opportune moment, recover Chinese sovereignty over Xianggang and take appropriate measures to maintain its prosperity. We will continue to exert ourselves in all fields, further broaden the patriotic united front and strengthen the great unity of all our nationalities, people of various strata and from all walks of life, and all patriotic elements, in order to make common efforts to build a socialist system with distinctive Chinese characteristics and to create a unified, flourishing and prosperous motherland.

The next five years are years of vital importance to our socialist economic growth and other work. The tasks facing us are at once glorious and arduous. Many difficulties still lie ahead. We must foster the pioneering spirit of hard struggle, seek truth from facts and work assiduously. Provided we keep this up, we will be able to surmount all obstacles on our way forward, tide over this relatively difficult period and put our socialist modernization on to a broader road.

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Memorial Speech

By President

Li Xiannian



WITH deepest grief we today pay heartfelt tribute to the memory of Comrade Liao Chengzhi, an outstanding member of the Chinese Communist Party, a proletarian revolutionary, an eminent social activist and an outstanding Party and state leader.

Comrade Liao Chengzhi made indelible contributions in protracted revolutionary struggles, in socialist construction, in consolidation and expansion of the patriotic united front to achieve the great unity and reunification of the motherland, in strengthening the Chinese people's friendly relations with the peoples of other lands and in the struggle for world peace. He died, however, at this time when the people throughout the country were looking forward to his making still greater contributions to the cause of the construction and reunification of the motherland. This is indeed a great loss for the whole Party and the people throughout the country.

A native of Huiyang County, Guangdong Province, Comrade Liao Chengzhi was born in Tokyo, Japan, on September 25, 1908. His youth coincided with the first period of co-operation between our Party and the Kuomintang, and the whole country was in a high tide of the democratic revolution against imperial-

ism, feudalism and warlordism. Nurtured and influenced by Dr. Sun Yat-sen, Madame Soong Ching Ling, his father Liao Zhongkai and his mother Madame He Xiangning, Liao Chengzhi plunged into the flames of the great revolutionary movement. He joined the Kuomintang in 1925. While studying at Lingnan University, he participated in the student and workers movements, accepted Marxism in the course of revolutionary practice and took the bright road of striving for the proletarian revolutionary cause.

The counter-revolutionary coup of April 12, 1927 did not shake his confidence in the revolutionary cause nor stop his struggle. He joined the Chinese Communist Party in Shanghai in 1928. For the following half a century and more, he worked for the Party diligently and conscientiously. Between 1928 and 1932 the Party sent him to work in the International Seamen's Trade Union in Germany and he led a Chinese seamen's strike that was victorious. In 1930, he was sent to Moscow by the International Seamen's Trade Union to attend the Fifth Congress of the Workers International. After returning to China in 1932, he served in Shanghai as head of the propaganda department of the All-China Federation of Trade Unions and Secretary of the CPC Group of the All-China Seamen's Trade Union. He joined the Red

Army in August 1933, and became a standing committee member of the CPC Provincial Committee of the Sichuan-Shaanxi Soviet area. He was Secretary-General of the General Political Department of the Fourth Front Army of the Red Army in 1934, and took part in the Long March. After arriving in Yanan he served as secretary of the Party Press Committee and did a great deal of work for the Party newspaper, journal and news agency. After the outbreak of the War of Resistance Against Japan, the Party Central Committee sent him to Xianggang (Hongkong) to take charge of the work of national united front against Japanese aggression. In accordance with Comrade Zhou Enlai's instructions, he organized overseas Chinese and compatriots in Xianggang and Aomen (Macao) to help the motherland resist Japanese aggression. After Japan occupied Xianggang, he went to northern Guangdong Province and became a leading member of the CPC Southern Work Committee. In May 1946, he joined the Delegation of the Chinese Communist Party in Nanjing and assisted Comrade Zhou Enlai. Between 1946 and 1949 he was a Member of the Southern Bureau of the CPC Central Committee, head of the Propaganda Department of the Shanxi-Hebei-Shandong-Henan Central Bureau of the Central Committee, deputy head of the Propaganda Department of the Central Committee and Director of Xinhua News Agency.

After the founding of the People's Republic, he served successively as Deputy Head of the International Liaison Department of the CPC Central Committee, Deputy Head of the United Front Work Department of the Central Committee, Deputy Secretary and Member of the Secretariat of the Central Committee of the Youth League, President of the All-China Youth Federation, head of the China Youth Art Theatre, Vice-Chairman and then Chairman of the Overseas Chinese Affairs Commission, Deputy Director of the Office in Charge of Foreign Affairs under the State Council, adviser to the Ministry of Foreign Affairs and Second Deputy Secretary of the Leading Party Group of the Ministry, Director of the Office of Overseas Chinese Affairs under the State Council, President of Overseas Chinese University, President of the Beijing Foreign Languages Institute, Vice-Chairman of the Chinese People's National Committee in Defence of Children, Vice-President of the Chinese People's Committee for World Peace, President of the

China Committee for Afro-Asian Solidarity, Vice-President of the Sino-Soviet Friendship Association, President of the China-Japan Friendship Association, Honorary President of the All-China Federation of Returned Overseas Chinese, and adviser to the Soong Ching Ling Foundation.

Comrade Liao Chengzhi was elected an Alternate Member of the Central Committee at the 7th National Congress of the CPC, and was later promoted to full member at the Second Plenary Session of the 7th Central Committee. He was also elected a member of the Central Committee at the 8th, 10th, 11th and 12th National Congresses of the CPC. He was elected a member of the Political Bureau of the Central Committee at the First Plenary Session of the 12th Central Committee of the CPC. He was a deputy to all six National People's Congresses, a Member of the Standing Committees of the 1st and 4th National People's Congresses, and a Vice-Chairman of the Standing Committee of the 5th National People's Congress.

Loyal to the Party and the people, Comrade Liao Chengzhi was staunch and fearless in various struggles against the enemy and against wrong lines inside the Party, displaying the courage and qualities of a proletarian revolutionary. He was arrested twice in Japan in 1927 because of his revolutionary activities. While studying at the No. 1 College of Waseda University of Japan in 1928, he was again arrested and expelled from Japan by the Japanese Government for his continued revolutionary activities. While working in the International Seamen's Trade Union, he was arrested in the Netherlands and Germany and expelled from the two countries on separate occasions. Then, back in China, he was arrested in Shanghai in March 1933. While on trial, he showed great resourcefulness and courage in dealing with the enemy in court. While working in the Fourth Front Army of the Red Army, he was held captive by Zhong Guotao in December 1934 for his perseverance in the correct line. He held fast to revolutionary principles and demonstrated his loyalty to the Party's interests in adverse conditions. He was later released thanks to the efforts of Comrade Zhou Enlai after the First, Second and Fourth Front Armies of the Red Army joined forces. He carried out a tenacious struggle after he was arrested by the Kuomintang in northern Guangdong Province in 1942. He was elected an Alternate Member of the 7th Central Committee of the CPC while still in prison. He was

finally rescued from prison through the efforts of the CPC Central Committee in January 1946. During the "cultural revolution," he demonstrated a deep hatred for the counter-revolutionary cliques of Lin Biao and Jiang Qing and always stood on the correct side in the struggle. After the smashing of the Jiang Qing counter-revolutionary clique, he continued resisting "Left" errors and firmly supported and implemented the line of the Party since the Third Plenary Session of the 11th Central Committee.

Comrade Liao Chengzhi devoted himself for a long time to consolidating and expanding the patriotic united front embracing Taiwan, Xianggang and Aomen compatriots and overseas Chinese, and made great contributions to the cause of the unity and reunification of the country. His forefathers, parents as well as he himself were all overseas Chinese. Therefore, he had deep feelings for and maintained broad contacts with overseas Chinese and compatriots in Xianggang and Aomen. While in charge of the Party's work on overseas Chinese affairs over a long period, he resolutely carried out the Party's policy on overseas Chinese affairs, cared for and safeguarded the legitimate rights and interests of the overseas Chinese as well as those of returned overseas Chinese and their families. He thus made outstanding contributions to unity with overseas Chinese, compatriots in Xianggang and Aomen as well as to the consolidation and expansion of the patriotic united front. He enjoyed high prestige among overseas Chinese and compatriots in Xianggang and Aomen and had their love and respect. On July 24, 1982, he made public his letter to Mr. Chiang Ching-kuo, expressing his earnest wish that the Taiwan authorities would bury the hatchet and help accomplish the great cause of national reunification in the interests of the country and the nation. His letter has exerted an ever-growing influence both at home and abroad.

Comrade Liao Chengzhi always carried out firmly the foreign policy of the Party Central Committee. Early in the 1930s, he assisted Comrade Soong Chung Ling and spared no efforts in resistance to the war launched by the fascist aggressors. For half a century, Liao Chengzhi did a great deal of work in opposing aggressive forces, safeguarding world peace and developing the friendship between the peoples of China and other countries, becoming a well-known international fighter for peace. Of tremendous influence are his special contributions to the growth of the friendship between the peoples

of China and Japan and the friendly relations between the two countries, and to the normalization of Sino-Japanese relations. His foresight and firm stand in international activities won honour for his country. He was modest and sincere towards foreign friends and developed deep friendship with them, embodying the internationalist spirit of our country and Party.

Comrade Liao Chengzhi was open and aboveboard and had a proletarian revolutionary's breadth of vision. He spoke frankly and sincerely and listened attentively to views from all quarters. He met with many people who held differing political views and were from different political groupings or factions. He was skilled at taking the good advice of others and also at explaining the Party's policies and principles in his own vivid way. He often won others by what he said and did, uniting an increasing number of people on the basis of patriotism and the principle of seeking common ground while reserving differences.

Comrade Liao Chengzhi was a learned man. Being gifted in many ways, he was a poet, painter, calligrapher and dramatist and had a good command of five foreign languages. He kept on working despite his long illness with heart disease. After he received a heart operation three years prior to his death and realized that he did not have much more time to serve the Party, he redoubled his efforts and worked tirelessly, even up to 12 hours a day, and gave his all to the revolution till his heart stopped beating.

The death of Comrade Liao Chengzhi is a heavy loss to our Party and state and we are filled with deep sorrow. We should turn our grief into strength, draw on his revolutionary spirit and fine qualities, and work hard to accomplish the tasks he left behind.

We should learn from Comrade Liao Chengzhi who was an earnest student of Marxism-Leninism and Mao Zedong Thought and had firm and unshakable faith in communism, who kept to the revolutionary integrity and optimism of a Communist no matter how great the difficulties the revolution encountered and no matter how much he was wronged.

We should learn from the strong proletarian Party spirit of Comrade Liao Chengzhi: following the decisions of the Party, paying attention to the Party's interests as a whole, being resolute in following the political line of the Party Central Committee and giving no thought

to personal gain or loss. We should learn from Comrade Liao Chengzhi who was clear about what to love and what to hate, and learn from his revolutionary spirit of repudiating wrong political lines regardless of personal safety and from his highly principled stand of adhering to the truth

We should learn from Comrade Liao Chengzhi's fine style: being conscientious in work, maintaining close ties with the masses, being easily approachable, being concerned about other comrades and caring for cadres working under him. We should learn from his revolutionary spirit of being bold in making reforms and innovations to create a new situation and solve new problems

In mourning Comrade Liao Chengzhi, we should carry out his behests, rally closely round the Party Central Committee, resolutely keep to the guidelines of the 12th National Congress of the Party and the First Session of the Sixth National People's Congress, and work hard to make China a powerful modern socialist state with a high degree of democracy and civilization, rally our compatriots in Taiwan, Xianggang and Aomen and overseas Chinese for the great unity and reunification of the motherland, strengthen our co-operation with Japanese friends in all walks of life and friends of all other countries, and work for world peace

Comrade Liao Chengzhi has left us, but his name will go down in history and will live eternally in our hearts. □

In Memory of NPC Standing Committee Vice-Chairman Liao Chengzhi

In the past few days, many old friends and acquaintances of Liao Chengzhi, Vice-Chairman of the Standing Committee of the Fifth National People's Congress, have written or spoken about their memories of him. The following are a translation of excerpts from some of these articles and talks. — Ed

Joining in the Revolution

Lu Dingyi (Vice-Chairman of the National Committee of the Chinese People's Political Consultative Conference): I first met Liao Chengzhi in 1929 when I was passing through Berlin on my way from Moscow to Frankfurt on the Main in Germany to attend the second conference of the international anti-imperialist league. At that time, I was a representative of the Chinese Communist Youth League to the Young Communist International. He was then studying in a German university at the age of only 21, but he was already participating in the communist movement and working among the seaman. His parents, Liao Zhongkai (1877-1925) and He Xiangning (1878-1972), were both respected founding members of the Kuomintang and as their only son, Liao Chengzhi could have lived a different life. Seeing him in that light, I became more respectful of Mr Liao Zhongkai

and Madame He Xiangning. They had brought up a good son to carry on their revolutionary



Liao Chengzhi (boy), Sun Yat-sen, Soong Ching Ling, Liao Zhongkai (first from left, back row) and He Xiangning (first from right, front row) in Tokyo in April 1916.

cause. By then, Liao Chengzhi had been arrested several times for his revolutionary activities. I asked him what prison life was like in a foreign country. He said: "Oh, quite civilized." Each time, he was set free after only a few days. Compared with the reactionary Kuomintang policy of killing every Communist they caught, of course this treatment was "civilized."

A Rough Road

Xia Yan (Vice-Chairman of the China Federation of Literary and Art Circles): Liao Chengzhi had traversed a perilous course during the revolution. He was arrested in 1933 in Shanghai and was only released on bail after great efforts were made by Madame Soong Ching Ling, Liu Yazi and others to rescue him.

He took part in the Long March in 1935 with the Fourth Front Army but was arrested for opposing the front army leader Zhang Guotao's scheme to split the Party and the Red Army. He was only released through Zhou Enlai's efforts.

In 1941, the Pacific War broke out and Xianggang (Hongkong) was occupied by Japanese invaders. He was arrested the next year by the Kuomintang reactionaries for helping a large number of democratic personages and cultural workers go to northern Guangdong via the Dongjiang guerrilla area.

His freedom was not restored until 1945 when the War of Resistance Against Japan won victory and Mao Zedong went to Chongqing for negotiations with the Kuomintang.

Once he told me in a light-hearted tone:

"If the two arrests in Japan and two arrests in Germany were counted, I had been arrested seven and a half times, seven times before liberation and one half time during the cultural revolution," when I was put under house arrest for five years under the protection of Premier Zhou Enlai."

I began to work with him in 1937 after the War of Resistance Against Japan was launched. Without the energetic support from him and Madame He Xiangning, the newspaper for united front work among the progressive cultural workers, with Guo Moruo as its manager, could not have continued its publication in Guangzhou and Guilin.



Liao Chengzhi arrives in northern Shaanxi in October 1935 after the Long March.

He also gave guidance to the publication of a newspaper in Xianggang and many newspapers by overseas Chinese. Under the leadership of the South China Bureau of the Chinese Communist Party, he did a great deal of painstaking work under extremely complex conditions to unite the compatriots in Xianggang and Aomen (Macao), overseas Chinese democratic parties and intellectuals, from ordinary workers and urban dwellers to Tan Kah Kee, a prominent leader of overseas Chinese.

He was honest, frank and optimistic. Although he had gone through all kinds of hardships and dangers and had been wronged more than once, he did not change his habit of making jokes during after-work hours. People say that he remained loyal to the Party and people till he breathed his last. I think this is one of his fine qualities that held him in high esteem.

For the Reunification of Motherland

Lin Liyun (President of the All-China Federation of Taiwan Compatriots). Vice-Chairman Liao Chengzhi worked day and night for the

Liao Chengzhi (first from right) with Soong Ching Ling, chairman of the China Defence League, and other members of the league (from left to right) Israel Epstein, M.C. Tang, Liao Mengxing, Soong Ching Ling, Mrs. Hilda Selwyn-Clarke and Norman France in Xianggang in June 1938.



unity and reunification of our motherland. He always gave consideration to our Taiwan compatriots and he will live for ever in the hearts of our Taiwan compatriots as well as the people throughout the country.

In 1957, Liao Chengzhi and Li Dequan led a Chinese Red Cross delegation to Japan and was accorded a warm welcome by the government and the public. The visit broadened the road for friendly exchanges between the Chinese and Japanese peoples. In the spring of 1973, the year after diplomatic relations between China and Japan were normalized, he again headed a Sino-Japan Friendship Association delegation to Japan. As a result, a "China fever" appeared in Japan. During the visits, he paid particular attention to Taiwan compatriots and overseas Chinese residing in Japan.

During his 1973 visit, he made a special trip to an overseas Chinese school in Kobe and discussed the question of Taiwan's return to the motherland with the teachers, students as well as the parents of the students. He mentioned particularly that all patriots were of one family and all Chinese should work with one heart to accomplish the great cause of the reunification of the motherland.

Many people present were touched by his words and expressed a desire to contribute their

share to the reunification of the motherland. He also sat together with some young students and examined their homework and calligraphy exercises. Taiwan compatriots and overseas Chinese residing in Japan all called him affectionately "our respected Mr. Liao."

For a period after the "Message to Compatriots in Taiwan" was issued in 1979, some people could not understand immediately the great significance of the document. Liao Chengzhi lost no time in discussing the question with them. Once when a Taiwan compatriot, whose family was killed by the Kuomintang, told Liao Chengzhi that he could not understand why the Communist Party proposed a third co-operation with the Kuomintang, Liao Chengzhi said to him: "The Kuomintang murdered someone dear to you. It also ordered some ruffians to kill my father as well as many Communists. Why do we still want to enter into a third co-operation with it? It is because we want to reunify our motherland. We should not allow ourselves to be swayed by personal grievances." The Taiwan compatriot was satisfied and went away gladly.

I saw Liao Chengzhi for the last time in mid-April this year when he received Taiwan deputies to the Sixth National People's Congress. He was very happy on that day and

made an impromptu speech with the aid of a loudspeaker, calling on Taiwan compatriots in the mainland to unite and work hard for the great cause of unity and reunification of the motherland

Intimate Friend of Overseas Chinese And Foreign Citizens of Chinese Descent

Paul T.K. Lin (foreign citizen of Chinese descent and professor of the Asian Research Institute of the University of British Columbia, Canada): I became acquainted with Liao Chengzhi during the 1950s. I have been to China more than 20 times since then and I met him almost every time. He was modest and kind to others and never imposed his own opinions on others. Whether one agreed with Liao's views or not, he would feel that Liao Chengzhi respected others

Liao had an astonishing analytical ability. He never viewed things as absolute. He was highly principled and flexible. For instance, some overseas Chinese, with great hope and enthusiasm, returned to the motherland. But when they came across some unpleasant things and witnessed some backward phenomena, they became disheartened. When Liao Chengzhi learnt about this, he always tried his best to help relieve them of their anxiety and difficulties and unequivocally fought against

backward tendencies. At the same time, Liao Chengzhi patiently explained to the overseas Chinese the causes of these backward phenomena and the way to eliminate them, so that they all felt at ease and had full confidence in the future of the motherland

Liao Chengzhi was very familiar with the political and economic situations in North America, Japan, Taiwan, Xianggang (Hongkong) and the rest of the world. Meanwhile, Liao knew full well the state of mind and positions of the overseas Chinese and foreign citizens of Chinese descent. He showed the utmost concern for the overseas Chinese. He always encouraged foreign citizens of Chinese origin to be good citizens of their adopted countries, bring benefit to society and establish bonds of friendship between China and other countries in the world. Overseas Chinese all consider Liao Chengzhi their intimate friend

A Champion of Peace

Zhu Ziqi (secretary of the secretariat of the Chinese Writers' Association): During the 1950s, I went abroad with him many times for friendly visits and to attend international conferences for national independence and world peace in Moscow, Prague, Vienna, Warsaw, Berlin, Stockholm, Helsinki, New Delhi and Colombo. Under intricate and complex circumstances, he was quick-witted and flexible, could get to the heart of the matter and took a clear-cut stand so that many delegates shared and supported our views.

He was an active promoter and one of the well-known leaders of the movement in defence of world peace throughout the 1950s and the movement of Asian-African unity against imperialism established after the Bandung Conference in 1955.

He did excellent organizational work for the successful convocation of the 1952 Peace Conference of Asian and Pacific Region in Beijing. Here I want to mention in particular that Liao Chengzhi had done a great deal to create a situation for Chinese writers' international



Liao Chengzhi (middle, front ground) leads the "China-Japan Friendship Ship" to Japan in May 1979.

activities and to promote exchanges between Chinese and foreign literary circles. The Asian-African Writers' Organization was founded and developed under his guidance. The Afro-Asian Writers' Emergency Meeting was held in Beijing in June 1966 under his direct leadership. He worked day and night together with us

Liao Chengzhi associated extensively with foreign friends and it can be said that he had friends all over the world. In addition to numerous people of different social strata and trades in Japan, Liao's friends included a British archbishop, an American correspondent, a French deputy, Belgian queen mother and a baron, Italy's former Parliament president, a Dutch film artist, an Indian writer, a Sri Lanka monk and woman ambassador, a New Zealand poet, an Egyptian social activist, Algerian foreign minister, a Moroccan political party leader, a Guinean minister, a Syrian teacher, a Chilean painter, many African freedom fighters, as well as countless common people. In the winter of 1979, I paid a visit to Belgium, bringing with me Liao Chengzhi's letter to a high-ranking and versatile baron. After separation of 20 years, this friend had become grey-haired. However, several landscape paintings by He Xiangning which carried inscriptions by Liao Chengzhi were still on the walls of his home. He read the letter, he embraced me tightly and said tearfully: "Welcome, friend! I love China, I love Liao! He has become an important figure and yet he hasn't forgotten me, his old friend! For 20 years, I've had many problems awaiting Liao's answers. I trust him from beginning to end because of his talents and fine character."

Developing Sino-Japanese Friendship

Sun Pinghua (Vice-President of Sino-Japanese Friendship Association): Liao Chengzhi was President of the Sino-Japanese Friendship As-



Liao Chengzhi meets noted Xianggang and Aomen personages in Guangzhou in February 1983.

sociation during his life-time. The development of Sino-Japanese relations was inseparable from Liao's painstaking efforts over the last 30 years. Under the leadership of Premier Zhou Enlai, Liao Chengzhi took charge of the work of developing non-governmental friendship with Japan and blazed a trail which led to the establishment of the Liao Chengzhi and Takasaki offices and carried the people-to-people contacts between China and Japan to a new stage of semi-official relations.

After China and Japan established diplomatic relations in 1972, Vice-Chairman Liao Chengzhi of the NPC Standing Committee repeatedly stressed that friendship work between the Chinese and Japanese peoples, which was the foundation for developing Sino-Japanese relations of friendship, must be further strengthened. He worked hard to develop sister cities between China and Japan and established the conference of people between China and Japan for which he was committee chairman on the Chinese side. He concerned himself with the contacts between Chinese and Japanese youths so as to train a younger generation of friendship between China and Japan.

On May 3 this year, in compliance with Vice-Chairman Liao Chengzhi's advice, I went to Japan to take part in the celebrations of the 100th birthday of our old friend Mogosabaro Yoshimura. Before departure, he exhorted me that I must go to see some old friends. □

ZOOLOGY

*Protection of
wildlife*

Ten species of rare animals have disappeared in China and 100 others are on the verge of extinction. In response, the State Council issued an order on April 13 prohibiting the hunting of rare animals and urging efforts to protect their environment.

The protection of rare animals and their resources is a world-wide concern. China has taken numerous measures to protect its endangered species.

An estimated 1,000 species of wildlife worldwide have become extinct and 700 other species are threatened with extinction.

China has the most numerous species of wildlife in the world, accounting for about 10 per cent of the total. More than 160 known species of rare animals including giant panda, golden monkey, Taiwan macaque, takin, white-lipped deer, black muntjac, Chinese river dolphin, Chinese alligator, Chinese sturgeon and paddlefish, brown-eared pheasant, and black-collared crane are native only to China.

China also is a habitat for other rare animals such as red-crowned crane, white crane, crested ibis, black stork, swan, Chinese trogon, Chinese monal, white-crowned long-tailed pheasant, various gibbon, leaf monkey, tufted deer, snow leopard and wild camel.

As a consistent policy of the Chinese Government, the protection of wildlife has been given increasing attention. So far, 85 natural preserves have



Red-crowned cranes in the Zhalong natural reserve, Heilongjiang Province.



A rare crested ibis.

been set up in 20 provinces and autonomous regions.

In 1976 Qinghai Province in northwest China set up a bird protection station on an island bird sanctuary in Qinghai Lake. The island covers a little less than one square kilometre and has more than 100,000 birds including sea gulls, cormorants

and brown-headed gulls. The birds' survival was threatened by water shrinkage and sand encroachment into Qinghai Lake. In order to provide a better environment for the endangered birds, the provincial government has allocated 600,000 yuan for construction of a new man-made lake

around the island. The province has one-fourth of the nation's rare animals.

In addition, since last March Hebei, Heilongjiang and other provinces have launched a "love-the-birds" week to provide public education in the importance and methods of protecting birds.

However, some places still report illegal hunting and killing of rare animals for export. The State Council order prohibits the manufacture or sale of hunting guns and pop guns without permission. The order also calls for strict enforcement of hunting areas, seasons and weapons. It stipulates the penalties for criminal activities regarding rare animals and related products. The order also calls for scientific research on wildlife, survey of resources of rare animals and their taming and breeding.

Giant pandas mate

Several Chinese scientists recently took rare photos of mating giant pandas in the Wolong natural reserve in Sichuan Province. Others spotted 26 giant pandas in the Foping natural reserve on the southern slope of the Qinling Mountains in Shaanxi Province.

Spring is the mating season for the giant pandas. In mid-April two scientists observed six giant pandas (one female) in the Huashu Gully in the Wolong reserve 2,850 metres above sea level.

The animals communicated with each other using crying sounds and then pursued one another. Eventually the female climbed a tree followed by one of the males. They mated in

the tree. The scientists, hidden in another tree, photoed the scene.

This is the first time that Chinese scientists have observed and studied giant pandas mating.

A second group of scientists spotted 26 giant pandas during a four-month survey of the Foping natural reserve on the southern slope of the Qinling Mountains in Shaanxi Province. On January 15 they observed three pandas within six hours. As a result, the scientists believed that the Foping reserve may have the highest density of panda population in China, followed by the Wolong natural reserve in Sichuan and the Baishuijiang natural reserve in Gansu Province.

The surveyors said that giant pandas are seen frequently in the spring when they are foraging for bamboo shoots and other food in bamboo groves, fields, roadsides and even around houses. They do not attack people nor are they afraid of humans. When they encounter people, they usually do not run away.

The survey group followed one female panda for three days and nights. During the first morning, they approached within 10 metres of the panda and that afternoon, they came within seven to eight metres.

On the second day, the group got within five to six metres, and on the third day, they approached within four to five metres of the animal. The scientists shouted to the giant panda and scratched it with a bamboo stick, but the panda paid no heed and continued its activities.

The survey group also tracked one male panda for 76 hours that weighed about 100 kilo-



A giant panda in the Wolong natural reserve in Sichuan Province.

grammes in order to make comparative studies of panda's eating habit in captivity and in its natural habitat.

The survey group found one mother giant panda resting with a baby panda of about 20 kilograms. When the team approached, the mother cried out while the baby climbed a tree. As the team moved below the tree, the mother withdrew some 50 metres away to watch. Five hours later, the baby came down from the tree and was caught by the team. The uneasy mother panda ran around the area until her baby was released.

The survey group found that giant pandas are short-sighted but have sensitive hearing. Pandas are disturbed by a noise 20 to 30 metres away, but do not react when people approach them silently within five to 10 metres.

Paintings by Ke Ming



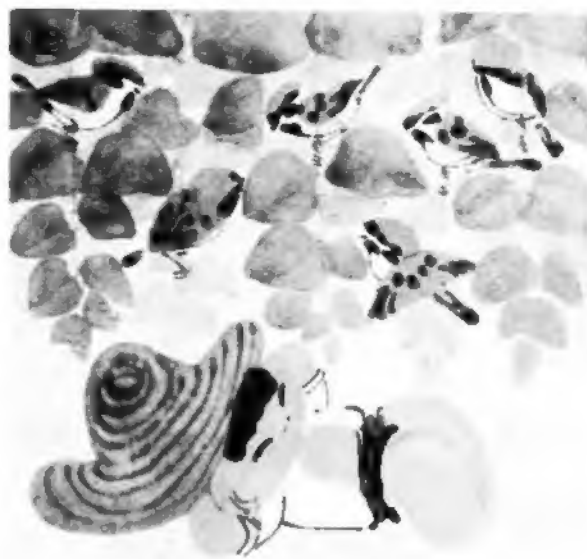
Lotus Leaves and a Buffalo.



Sound of a Bamboo Flute Attracts Small Listeners.



By a Brook.



Under a Tree.

Ke Ming, the pseudonym for Wu Yueren, was born in 1923 in Fuzhou city in Fujian Province. Graduated from the National School of Arts in Chongqing, he is good at cartoons, illustrations and characterizations for animated films. He is now an art editor of the Jiangsu People's Publishing House. The painter's interest in folk arts like papercuts, New Year pictures, toys, porcelain ware and indigo printing has inspired some of his creation, such as these ink washes for children.

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